

# FORM: Preliminary final report

Name of issuer

ADVANCE TC LTD

ACN or ARBN	Half yearly (tick)	Preliminary final (tick)	Half year/financial year ended (‘Current period’)
ACN 600 238 444		✓	31 December 2014

## **Corporate Overview**

AdvanceTC Limited was incorporated on 20 June 2014.

On 7 July 2014 the Company acquired 100% of the issued capital of AdvanceTC Sdn Bhd, a company incorporated and having its principal place of business in Malaysia. AdvanceTC Sdn Bhd owns 82.4% of Advance Tech Communications Sdn Bhd, a company also incorporated in Malaysia, which is the group's operating entity.

Through acquiring 100% of the issued capital, the Company has obtained control of AdvanceTC Sdn Bhd.

The purchase was satisfied by the issue of 300,317,450 ordinary shares of the Company. The existing shareholders of AdvanceTC Sdn Bhd were therefore issued the same number of shares in the Company and no cash or any other consideration was paid for this acquisition.

Under the principles of AASB 3 *Business Combinations*, AdvanceTC Sdn Bhd is the accounting acquirer and AdvanceTC Limited is the accounting acquiree, and the above transaction has therefore been accounted for as a reverse acquisition. Accordingly, this preliminary final report of the consolidated financial statements of AdvanceTC Limited and its controlled entities has been prepared as a continuation of the consolidated financial statements of AdvanceTC Sdn Bhd. The comparative figures also present a continuation of AdvanceTC Sdn Bhd and not AdvanceTC Limited.

AdvanceTC Limited has changed its functional and presentation currency to from Australian Dollars (A\$) to Malaysian Ringgits (MYR). This preliminary final report is therefore presented in MYR.

AdvanceTC Limited has changed its year-end to 31 December.

The results for the current period are for the 18 months ended 31 December 2014.

The results for the previous corresponding period are for the 12 months ended 30 June 2013.

AdvanceTC specialises in the design, development and commercialisation of high tech mobile wireless computing and telecommunication devices. It is the creator of the MAGIC™ brand of mobile computing devices and operates development facilities in Malaysia.

## **Review of Operations**

We achieved a substantial increase in the sales revenues for the period ended 31 December 2014 (current period) versus 30 June 2013 (previous period). Our profit dropped substantially as we financed an increased Advertising and Promotion budget to build our market franchise.

We will seek raise our target equity capital A\$30m which will impact our share holdings and EPS for the time being. This is necessary to enable us to achieve our annual sales revenues/profit targets.

We have succeeded to secure A\$6.5million in equity capital for the current year. We will seek to secure an additional A\$23.5m in the near term. The new equity capital raised will enable us to:

- Support commercialization for MAGIC ZLATE and new innovation products MAGIC X and MAGIC QUAD.
- Accelerate the development/completion for commercial sales for our new innovative products MAGIC X and MAGIC QUAD (SUPERPHONE).

- Finance the development/completion for commercial sales for our proprietary PATENTABLE UI code name MPATHY. A predictive user additive software application we will design/develop/patent.
- Strengthen our global IP host country registration phase for core laptop/smart phone telephony technology.
- Improve our financial fundamentals.

Our products compete in the increasing and huge consumer market space for laptop/tablet/smart phone US\$ 735 billion (<http://www.forbes.com/sites/louiscolombus/2013/01/17/2013-roundup-of-mobility-forecasts-and-market-estimates>). Our equity capital raising will ensure adequate financing to support our commercialization for our products to achieve our target market development/sales and profits. Our innovation will be supported by broad global IP/PATENT host country registration. Our products will drive market adoption due to its innovation, a unique productive device for business and entertainment on the go; supported by a user addictive software application.

As we move forward the only concern is we will not be able to raise our target equity capital.

#### For announcement to the market

Extracts from this statement for announcement to the market (see note 1).

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				MYR,000
Revenue (item 1.1)	up/down	981%	to	10,370
Profit (loss) for the period (item 1.9)	up/down	(1081%)	to	(2,020)
Profit (loss) for the period attributable to members of the parent (item 1.11)	up/down	(1273%)	to	(2,347)
<b>Dividends</b>		Current period	Previous corresponding period	
Franking rate applicable:		N/A	N/A	
<b>Final dividend</b> (preliminary final report only)(item 10.13-10.14)		N/A	N/A	
Amount per security				
Franked amount per security				
<b>Interim dividend</b> (Half yearly report only) (item 10.11 – 10.12)		N/A	N/A	
Amount per security				
Franked amount per security				
Short details of any bonus or cash issue or other item(s) of importance not previously released to the market:				
N/A				

## Consolidated income statement *(The figures are not equity accounted)*

*(see note 3)*

*(as per paragraphs 81-85 and 88-94 of AASB 101: Presentation of Financial Statements)*

	Current period - MYR'000	Previous corresponding period - MYR'000
1.1 Revenues <i>(item 7.1)</i>	10,370	959
1.2 Expenses, excluding finance costs <i>(item 7.2)</i>	(12,247)	(1,112)
1.3 Finance costs	(143)	(18)
1.4 Share of net profits (losses) of associates and joint ventures <i>(item 15.7)</i>	-	-
<b>1.5 Profit (loss) before income tax</b>	<b>(2,020)</b>	<b>(171)</b>
1.6 Income tax expense <i>(see note 4)</i>	-	-
1.7 Profit (loss) from continuing operations	-	-
1.8 Profit (loss) from discontinued operations <i>(item 13.3)</i>	-	-
<b>1.9 Profit (loss) for the period</b>	<b>(2,020)</b>	<b>(171)</b>
1.10 Profit (loss) attributable to minority interests	327	-
<b>1.11 Profit (loss) attributable to members of the parent</b>	<b>(2,347)</b>	<b>(171)</b>
1.12 Basic earnings per security <i>(item 9.1)</i>	(0.67) cents	(0.0008) cents
1.13 Diluted earnings per security <i>(item 9.1)</i>	(0.67) cents	(0.0008) cents
1.14 Dividends per security <i>( item 9.1)</i>	-	-

## Comparison of half-year profits

*(Preliminary final statement only)*

	Current period - MYR'000	Previous corresponding period -MYR'000
2.1 Consolidated profit (loss) after tax attributable to members reported for the 1st half year <i>(item 1.11 in the half yearly statement)</i>	-	-
2.2 Consolidated profit (loss) after tax attributable to members for the 2nd half year	-	-

Due to the changes in the reporting periods of AdvanceTC Limited, the differing periods of account (current period being 18 months and previous period being 12 months), as well as the effects of the reverse acquisition accounting in accordance with the principles of AASB 3, it has been determined impracticable to produce meaningful half year results.

## Consolidated balance sheet

(See note 5)

(as per paragraphs 68-69 of AASB 101: Financial Statement Presentation)

Current assets		Current period - MYR'000	Previous corresponding period MYR'000
3.1	Cash and cash equivalents	175	7
3.2	Trade and other receivables	325	1,161
3.3	Inventories	529	127
3.4	Other current assets (provide details if material)	-	-
3.5	<b>Total current assets</b>	<b>1,029</b>	<b>1,295</b>
<b>Non-current assets</b>			
3.6	Available for sale investments	-	-
3.7	Other financial assets	-	-
3.8	Investments in associates	-	-
3.9	Deferred tax assets	-	-
3.10	Exploration and evaluation expenditure capitalised (see para. 71 of AASB 1022 – new standard not yet finalised)	-	-
3.11	Development properties (mining entities)	14,663	7,814
3.12	Property, plant and equipment (net)	89	138
3.13	Investment properties	-	-
3.14	Goodwill	-	-
3.15	Other intangible assets	-	-
3.16	Other (provide details if material)	-	-
3.17	<b>Total non-current assets</b>	<b>14,752</b>	<b>7,952</b>
3.18	<b>Total assets</b>	<b>15,781</b>	<b>9,247</b>
<b>Current liabilities</b>			
3.19	Trade and other payables	1,005	6,593
3.20	Short term borrowings	992	976
3.21	Current tax payable	-	-
3.22	Short term provisions	-	-
3.23	Current portion of long term borrowings	-	-
3.24	Other current liabilities (provide details if material)	-	-
		1,997	6,569
3.25	Liabilities directly associated with non-current assets classified as held for sale (para 38 of AASB 5)	-	-
3.26	<b>Total current liabilities</b>	<b>1,997</b>	<b>7,569</b>
<b>Non-current liabilities</b>			
3.27	Long-term borrowings	96	124
3.28	Deferred tax liabilities	-	-
3.29	Long term provisions	-	-
3.30	Other (provide details if material)	7,179	1,430
3.31	<b>Total non-current liabilities</b>	<b>7,275</b>	<b>1,554</b>
3.32	<b>Total liabilities</b>	<b>9,272</b>	<b>9,123</b>
3.33	<b>Net assets</b>	<b>6,509</b>	<b>124</b>
<b>Equity</b>			
3.34	Share capital	11,174	4,132
3.35	Other reserves	-	-
3.36	Retained earnings	(6,355)	(4,008)
3.37	<b>Parent interest</b>	<b>4,819</b>	<b>124</b>
3.38	<b>Minority interest</b>	<b>1,690</b>	<b>-</b>
3.39	<b>Total equity</b>	<b>6,509</b>	<b>124</b>

## Consolidated statement of changes in equity

(as per paragraphs 96-97 of AASB 101: Presentation of Financial Statements)

	Current period – MYR'000	Previous corresponding period – MYR'000
Revenues recognised directly in equity:		
Expenses recognised directly in equity:		
4.1 <b>Net income recognised directly in equity</b>	-	-
4.2 <b>Profit for the period</b>	<b>(2,020)</b>	<b>(171)</b>
4.3 <b>Total recognised income and expense for the period</b>	<b>(2,020)</b>	<b>(171)</b>
Attributable to:		
4.4 Members of the parent	(2,347)	(171)
4.5 Minority interest	327	-
Effect of changes in accounting policy (as per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors):		
4.6 Members of the parent entity	-	-
4.7 Minority interest	-	-

# Consolidated statement of cash flows

(See note 6)

(as per AASB 107: Cash Flow Statements)

		Current period - MYR'000	Previous corresponding period - MYR'000
	<b>Cash flows related to operating activities</b>		
5.1	Receipts from customers	7,423	1,071
5.2	Payments to suppliers and employees	(9,467)	(761)
5.3	Interest and other costs of finance paid	(143)	(18)
5.4	Income taxes paid		
5.5	Other (provide details if material)		
5.6	<b>Net cash used in operating activities</b>	<b>(2,187)</b>	<b>292</b>
	<b>Cash flows related to investing activities</b>		
5.7	Payments for purchases of property, plant and equipment and development expenditure	(6,869)	(714)
5.8	Proceeds from sale of property, plant and equipment	-	-
5.9	Payment for purchases of equity investments	-	-
5.10	Proceeds from sale of equity investments	-	-
5.11	Loans to / from other entities	-	-
5.12	Loans repaid by other entities	-	-
5.13	Interest and other items of similar nature received/ paid		
5.14	Dividends received	-	-
5.15	Other (provide details if material)	-	-
5.16	<b>Net cash used in investing activities</b>	<b>(6,869)</b>	<b>(714)</b>
	<b>Cash flows related to financing activities</b>		
5.17	Proceeds from issues of securities (shares, options, etc.)	7,042	-
5.18	Proceeds from borrowings	2,260	20
5.19	Repayment of borrowings	(12)	(21)
5.20	Dividends paid	-	-
5.21	Other (provide details if material)	(66)	274
5.22	<b>Net cash used in financing activities</b>	<b>9,224</b>	<b>273</b>
	<b>Net increase (decrease) in cash and cash equivalents</b>	<b>168</b>	<b>(149)</b>
5.23	Cash at beginning of period (see Reconciliations of cash)	7	156
5.24	Exchange rate adjustments to item 5.23	-	-
5.25	<b>Cash at end of period</b> (see Reconciliation of cash)	<b>175</b>	<b>7</b>

## Reconciliation of cash provided by operating activities to profit or loss

(as per paragraph Aus20.1 of AASB 107: Cash Flow Statements)

		Current period MYR'000	Previous corresponding period MYR'000
6.1	<b>Profit</b> <i>(item 1.9)</i>	<b>(2,020)</b>	<b>(171)</b>
	Adjustments for:		
6.2	Depreciation	69	52
6.3	Plant and equipment written off	-	45
6.4	Development costs written off	-	45
6.5	Increase/decrease in receipts from customers	835	(480)
6.6	Increase/decrease in payments to suppliers and employees	(1,071)	801
6.7	Increase/decrease in interest and other costs of finance paid		
6.8	Increase/decrease in other		
6.9	Increase/decrease in		
6.10	<b>Net cash from operating activities</b> <i>(item 5.6)</i>	<b>(2,187)</b>	<b>292</b>

## **Notes to the financial statements**

### **Details of revenues and expenses**

(see note 16)

(Where items of income and expense are material, disclose nature and amount below in accordance with paragraphs 86-87 of AASB 101: Presentation of Financial Statements)

	Current period - MYR'000	Previous corresponding period - MYR'000
Revenue	7,166	592
Other operating income	3,204	367
<b>7.1 Total Revenue</b>	<b>10,370</b>	<b>959</b>
Cost of sales	(5,036)	(415)
Administrative expenses	(6,935)	(603)
Other costs	(276)	(94)
<b>7.2 Total Expenses</b>	<b>(12,247)</b>	<b>(1,112)</b>
<b>7.3 Finance costs</b>	<b>(143)</b>	<b>(18)</b>
<b>Profit (loss) before tax</b>	<b>(2,020)</b>	<b>(171)</b>

<b>Ratios</b>	<b>Current period</b>	<b>Previous corresponding period</b>
<b>Profit before tax / revenue</b>		
8.1 Consolidated profit (loss) before tax (item 1.5) as a percentage of revenue (item 1.1)	<b>19%</b>	<b>18%</b>
<b>Profit after tax / equity interests</b>		
8.2 Consolidated profit (loss) after tax attributable to members (item 1.11) as a percentage of equity (similarly attributable) at the end of the period (item 3.37)	<b>48%</b>	<b>137%</b>



## Earnings per Security

- 9.1 Provide details of basic and fully diluted EPS in accordance with paragraph 70 and Aus 70.1 of AASB 133: Earnings per Share below:

### Current Period

Loss for the period: MYR 2,020,221

Weighted average number of shares on issue: 300,317,442

### Previous corresponding period

Loss for the period: MYR 171,647

Weighted average number of shares on issue: 206,600,000 (representing conversion of legal subsidiary, AdvanceTC Sdn Bhd's capital of 4,132,000 in accordance with the principles of reverse acquisition per AASB 3)

## Dividends

- 10.1 Date the dividend is payable

N/A

- 10.2 Record date to determine entitlements to the dividend (i.e. on the basis of registrable transfers received up to 5.00 pm if paper based, or by 'End of Day' if a proper ASTC/CHESS transfer)

N/A

- 10.3 If it is a final dividend, has it been declared?

(Preliminary final report only)

- 10.4 The *dividend or distribution plans* shown below are in operation.

N/A

The last date(s) for receipt of election notices to the *dividend or distribution plans*

N/A

- 10.5 Any other disclosures in relation to *dividends or distributions*

N/A

## Dividends paid or provided for on all securities

(as per paragraph Aus126.4 AASB 101: Presentation of Financial Statements)

	Current period - MYR'000	Previous corresponding period - MYR'000	Franking rate applicable
<b>Dividends paid or provided for during the reporting period</b>			
10.6 Current year interim	N/A		
10.7 Franked dividends	N/A		
10.8 Previous year final	N/A		
10.9 Franked dividends	N/A		
<b>Dividends proposed and not recognised as a liability</b>			
10.10 Franked dividends	N/A		

## Dividends per security

(as per paragraph Aus126.4 of AASB 101: Presentation of Financial Statements)

	Current year	Previous year	Franking rate applicable
<b>Dividends paid or provided for during the reporting period</b>			
10.11 Current year interim	N/A		
10.12 Franked dividends – cents per share	N/A		
10.13 Previous year final	N/A		
10.14 Franked dividends – cents per share	N/A		
<b>Dividends proposed and not recognised as a liability</b>			
10.15 Franked dividends – cents per share	N/A		

### Exploration and evaluation expenditure capitalised

To be completed only by issuers with mining interests if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit

	Current period MYR'000	Previous corresponding period MYR'000
11.1 Opening balance	N/A	N/A
11.2 Expenditure incurred during current period	N/A	N/A
11.3 Expenditure written off during current period	N/A	N/A
11.4 Acquisitions, disposals, revaluation increments, etc.	N/A	N/A
11.5 Expenditure transferred to Development Properties	N/A	N/A
11.6 <b>Closing balance as shown in the consolidated balance sheet (item 3.10)</b>	N/A	N/A

### Development properties

(To be completed only by issuers with mining interests if amounts are material)

	Current period MYR'000	Previous corresponding period MYR'000
12.1 Opening balance	N/A	N/A
12.2 Expenditure incurred during current period	N/A	N/A
12.3 Expenditure transferred from exploration and evaluation	N/A	N/A
12.4 Expenditure written off during current period	N/A	N/A
12.5 Acquisitions, disposals, revaluation increments, etc.	N/A	N/A
12.6 Expenditure transferred to mine properties	N/A	N/A
12.7 <b>Closing balance as shown in the consolidated balance sheet (item 3.11)</b>	N/A	N/A

### Discontinued Operations

(see note 18)

(as per paragraph 33 of AASB 5: Non-current Assets Held for Sale and Discontinued Operations)

	Current period – MYR'000	Previous corresponding period – MYR'000
13.1 Revenue	N/A	N/A
13.2 Expense	N/A	N/A
13.3 <b>Profit (loss) from discontinued operations before income tax</b>	N/A	N/A
13.4 Income tax expense (as per para 81 (h) of AASB 112)	N/A	N/A
13.5 <b>Gain (loss) on sale/disposal of discontinued operations</b>	N/A	N/A
13.6 Income tax expense (as per paragraph 81(h) of AASB 112)	N/A	N/A

### Movements in Equity

(as per paragraph 97 of AASB 101: Financial Statement Presentation)

		Number issued	Number listed	Paid-up value (MYR)	Current period – MYR'000	Previous corresponding period – MYR'000
14.1	<b>Preference securities</b> <i>(description)</i>					
14.2	Balance at start of period					
14.3	a) Increases through issues					
14.4	a) Decreases through returns of capital, buybacks etc.					
14.5	Balance at end of period					
14.6	<b>Ordinary securities</b>					
14.7	Balance at start of period	206,600,000	206,600,000	See note below	4,132	4,132
14.8	a) Increases through issues and fair value adjustment of shares transferred from AdvanceTC Limited to Advance TC Sdn Bhd (reverse acquisition)	93,717,450	93,717,450	See note below	7,042	-
14.9	b) Decreases through returns of capital, buybacks etc.					
14.10	Balance at end of period	300,317,550	300,317,550	See note below	11,174	4,132
14.11	<b>Convertible Debt Securities</b> <i>(description &amp; conversion factor)</i>					
14.12	Balance at start of period					
14.13	a) Increases through issues					
14.14	b) Decreases through maturity, converted.					
14.15	Balance at end of period					

		Number issued	Number listed	Paid- up value (cents)	Current period – MYR'000	Previous corresponding period – MYR'000
14.16	<b>Options</b> <i>(description &amp; conversion factor)</i>					
14.17	Balance at start of period					
14.18	Issued during period					
14.19	Exercised during period					
14.20	Expired during period					
14.21	Balance at end of period					
14.22	<b>Debentures</b> <i>(description)</i>					
14.23	Balance at start of period					
14.24	a) Increases through issues					
14.25	b) Decreases through maturity, converted					
14.26	Balance at end of period					
14.27	<b>Unsecured Notes</b> <i>(description)</i>					
14.28	Balance at start of period					
14.29	a) Increases through issues					
14.30	b) Decreases through maturity, converted					
14.31	Balance at end of period					
14.32	<b>Total Securities</b>	<b>300,317,550</b>	<b>300,317,550</b>		<b>11,174</b>	<b>4,132</b>

**Note:**

Refer to the Corporate Overview.

The Company's acquisition of AdvanceTC Sdn Bhd on 7 July 2014 is required to be treated as a reverse acquisition for accounting purposes. Consequently, the consolidated statement of changes in equity comprises:

- The equity balance of AdvanceTC Sdn Bhd at the beginning of the period, 1 July 2013;
- The total comprehensive income and transactions with equity holders for the period accounting group;
- The consolidated equity balance of the accounting group as at 31 December 2014.

	Current period – MYR'000	Previous corresponding period – MYR'000
<b>Reserves</b>		
14.33 Balance at start of period		
14.34 Transfers to/from reserves		
14.35 Total for the period		
14.36 Balance at end of period		
14.37 <b>Total reserves</b>		
<b>Retained earnings</b>		
14.38 <b>Balance at start of period</b>	(4,008)	(3,837)
14.39 Changes in accounting policy		
14.40 Restated balance		
14.41 Profit for the balance	(2,347)	(171)
14.42 Total for the period		
14.43 Dividends		
14.44 <b>Balance at end of period</b>	(6,355)	(4,008)

## Details of aggregate share of profits (losses) of associates and joint venture entities

(equity method)

(as per paragraph Aus 37.1 of AASB 128: Investments in Associates and paragraph Aus 57.3 of AASB 131: Interests in Joint Ventures)

Name of associate or joint venture entity

N/A

Reporting entities percentage holding

		Current period - MYR'000	Previous corresponding period - MYR'000
15.1	Profit (loss) before income tax		
15.2	Income tax		
15.3	<b>Profit (loss) after tax</b>		
15.4	Impairment losses		
15.5	Reversals of impairment losses		
15.6	Share of non-capital expenditure contracted for (excluding the supply of inventories)		
15.7	<b>Share of net profit (loss) of associates and joint venture entities</b>		

## Control gained over entities having material effect

(See note 8)

16.1 Name of *issuer* (or *group*)

AdvanceTC Sdn Bhd

16.2 Consolidated profit (loss) after tax of the *issuer* (or *group*) since the date in the current period on which control was acquired

MYR'000

See note below

16.3 Date from which profit (loss) in *item 16.2* has been calculated

See note below

16.4 Profit (loss) after tax of the *issuer* (or *group*) for the whole of the previous corresponding period

See note below

**Note:** As noted in the Corporate Overview, On 7 July 2014 the Company acquired 100% of the issued capital of AdvanceTC Sdn Bhd, a company incorporated and having its principal place of business in Malaysia. AdvanceTC Sdn Bhd owns 82.4% of Advance Tech Communications Sdn Bhd, a company also incorporated in Malaysia, which is the group's operating entity. As further explained in the Basis of Preparation, in accordance with the accounting standards, these consolidated financial statements represent a continuation of the financial statements of its legal subsidiary, AdvanceTC Sdn Bhd and its controlled entity, Advance Tech Communications Sdn Bhd for the current and previous periods.

## Loss of control of entities having material effect

(See note 8)

17.1	Name of <i>issuer</i> (or <i>group</i> )	N/A
		MYR'000
17.2	Consolidated profit (loss) after tax of the entity (or <i>group</i> ) for the current period to the date of loss of control	N/A
17.3	Date from which the profit (loss) in <i>item 17.2</i> has been calculated	N/A
17.4	Consolidated profit (loss) after tax of the entity (or <i>group</i> ) while controlled during the whole of the previous corresponding period	N/A
17.5	Contribution to consolidated profit (loss) from sale of interest leading to loss of control	N/A

## Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities.

		Percentage of ownership interest (ordinary securities, units etc) held at end of period or date of disposal		Contribution to profit (loss) ( <i>item 1.9</i> )	
18.1	Equity accounted associated entities	Current period	Previous corresponding period	Current period MYR'000	Previous corresponding period MYR'000
		N/A	N/A	Equity accounted	
				N/A	N/A
18.2	Total	N/A	N/A	N/A	N/A
18.3	Other material interests			Non equity accounted (i.e. part of <i>item 1.9</i> )	
		N/A	N/A	N/A	N/A
18.4	Total	N/A	N/A	N/A	N/A



## Reports for industry and geographical segments

Information on the industry and geographical segments of the entity must be reported for the current period in accordance with AASB 114: Segment Reporting. Because of the different structures employed by entities, a pro forma is not provided. Segment information should be completed separately and attached to this statement. However, the following is the personation adopted in the Appendices to AASB 114 and indicates which amount should agree with items included elsewhere in this statement.

**Note:** The Group operates in one segment being High Technology products and services, and in one significant geographical region, being Malaysia / Asia.

		Current period - MYR'000	Previous corresponding period - MYR'000
	<b>Segments</b>		
	Revenue:	10,370	959
19.1	External sales		
19.2	Inter-segment sales		
19.3	<b>Total</b> (consolidated total equal to <i>item 1.1</i> )	<b>10,370</b>	<b>959</b>
19.4	Segment result	(1,877)	(153)
19.5	Unallocated expenses	-	-
19.6	<b>Operating profit</b> (equal to <i>item 1.5</i> )	<b>(1,877)</b>	<b>(153)</b>
19.7	Interest expense	(143)	(18)
19.8	Interest income		
19.9	Share of profits of associates		
19.10	Income tax expense		
19.11	<b>Net profit</b> (consolidated total equal to <i>item 1.9</i> )	<b>(2,020)</b>	<b>(171)</b>
	<b>Other information</b>		
19.12	Segment assets	15,781	9,247
19.13	Investments in equity method associates		
19.14	Unallocated assets		
19.15	<b>Total assets</b> (equal to <i>item 3.18</i> )	<b>15,781</b>	<b>9,247</b>
19.16	Segment liabilities	9,272	9,123
19.17	Unallocated liabilities		
19.18	<b>Total liabilities</b> (equal to <i>item 3.32</i> )	<b>9,272</b>	<b>9,123</b>
19.19	Capital expenditure		
19.20	Depreciation	69	52
19.21	Other non-cash expenses		

## NTA Backing

(see note 7)

20.1	Current period	Previous corresponding period
Net tangible asset backing per ordinary security	0.027	0.037

## Non-cash financing and investing activities

*Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount.*

- 21.1 Other than the effects of the acquisition of AdvanceTC Sdn Bhd effected by way of a share swap in AdvanceTC Limited (and accounted for as a reverse acquisition), there were no other material non-cash financial and investing activities.

## International Financial Reporting Standards

*Under paragraph 39 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards, an entity's first Australian-equivalents-to-IFRS's financial report shall include reconciliations of its equity and profit or loss under previous GAAP to its equity and profit or loss under Australian equivalents to IFRS's. See IG63 in the appendix to AASB 1 for guidance.*

- 22.1 N/A

*Under paragraph 4.2 of AASB 1047: Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards, an entity must disclose any known or reliably estimable information about the impacts on the financial report had it been prepared using the Australian equivalents to IFRSs or if the aforementioned impacts are not known or reliably estimable, a statement to that effect.*

- 22.2 N/A

### Comments by directors

*Comments on the following matters are required by the Exchange or, in relation to the half yearly statement, by AASB 134: Interim Financial Reporting. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) but may be incorporated into the directors' report and statement. For both half yearly and preliminary final statements, if there are no comments in a section, state NIL. If there is insufficient space in comment, attach notes to this statement.*

### Basis of accounts preparation

The financial report has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards, Australian Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has been prepared on an accruals basis and is based on historical costs.

The financial report is presented in Malaysian Ringgits (MYR).

The financial report complies with Australian Accounting Standards and International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

AdvanceTC Limited was incorporated on 20 June 2014. On 7 July 2014 the Company acquired 100% of the issued capital of AdvanceTC Sdn Bhd, a company incorporated and having its principal place of business in Malaysia. AdvanceTC Sdn Bhd owns 82.4% of Advance Tech Communications Sdn Bhd, a company also incorporated in Malaysia, which is the group's operating entity. Through acquiring 100% of the issued capital, the Company has obtained control of AdvanceTC Sdn Bhd.

The acquisition was deemed a reverse acquisition in accordance with AASB 3 *Business Combinations* and the consolidated financial statements therefore represent a continuation of the financial statements of its legal subsidiary, AdvanceTC Sdn Bhd and its controlled entity, Advance Tech Communications Sdn Bhd.

### Comparative financial information

The comparative financial information presented in this report is for the year ended 30 June 2013. As noted above, the Company completed the acquisition of AdvanceTC Sdn Bhd and its controlled entity on 7 July 2014. Under the terms of AASB 3, AdvanceTC Sdn Bhd was deemed to be the accounting acquirer in the business combination. Consequently, the acquisition was accounted for as a reverse acquisition.

The consolidated financial statements for the period ended 30 June 2013 were prepared as a continuation of the business and operations of AdvanceTC Sdn Bhd and its controlled entity. AdvanceTC Sdn Bhd, as the accounting acquirer, accounted for the acquisition of AdvanceTC Limited from 7 July 2014.

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible). In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations (as per paragraphs 16(b), 16(b) and Aus 16.1 of AASB 134: Interim Financial Reporting)

N/A

Any other factors which have affected the results in the period, or which are likely to affect results in

the future, including those where the effect could not be quantified.

1. Expected Investment from Investor for AUD6.5 Million
2. Potential Sales Contracts for 11,000 units of Magic Zlate for the FY2015

Franking credits available and prospects for paying fully or partly franked dividends for at least the next year

N/A

Changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows.

*(Disclose changes in the half yearly statement in accordance with paragraph 16(a) of AASB 134: Interim Financial Reporting. Disclose changes in the preliminary final statement in accordance with paragraphs 28-29 of 108: Accounting Policies, Changes in Accounting Estimates and Errors.)*

No Changes other than the implications of the reverse acquisition accounting as already disclosed.

An issuer shall explain how the transition from previous GAAP to Australian equivalents to IFRS' affected its reported financial position, financial performance and cash flows. *(as per paragraph 38 of AASB 1: First-time Adoption of Australian Equivalents to International Financial Reporting Standards)*

N/A

Revisions in estimates of amounts reported in previous periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous annual reports if those revisions have a material effect in this half year *(as per paragraph 16(d) of AASB 134: Interim Financial Reporting)*

N/A other than the implications of the reverse acquisition disclosures already noted in the Corporate Overview and Basis of Preparation sections of the Preliminary Final Report.

Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last annual report *(as per paragraph 16(j) of AASB 134: Interim Financial Reporting)*

No changes

The nature and amount of items affecting assets, liabilities, equity, profit or loss, or cash flows that are unusual because of their nature, size or incidence *(as per paragraph 16(c) of AASB 134: Interim Financial Reporting)*

N/A other than the implications of the reverse acquisition disclosures already noted in the Corporate Overview and Basis of Preparation sections of the Preliminary Final Report.

Effect of changes in the composition of the entity during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinued operations *(as per paragraph 16(i) of AASB 134: Interim Financial Reporting)*

No further matters to note other than the acquisition of AdvanceTC Sdn Bhd and its controlled entity, Advance Tech Communications Sdn Bhd on 7 July 2014, as disclosed in other parts of the report.

**Annual meeting***(Preliminary final statement only)*

The annual meeting will be held as follows:

Place

Kuala Lumpur, Malaysia

Date

May 28, 2015

Time

10:30 am

Approximate date the annual report will be available

April 24, 2015

**Compliance statement**

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the *Corporations Act* or other standards acceptable to the Exchange (see note 13).

Identify other standards used

IFRS / MFRS

2. This statement, and the financial statements under the *Corporations Act* (if separate), use the same accounting policies.
3. This statement does/~~does not~~\* (*delete one*) give a true and fair view of the matters disclosed (see note 2).
4. This statement is based on financial statements to which one of the following applies:
- ☐ The financial statements have been audited. ☐ The financial statements have been subject to review by a registered auditor (or overseas equivalent).
- ☒ The financial statements are in the process of being audited or subject to review. ☐ The financial statements have *not* yet been audited or reviewed.
5. If the accounts have been or are being audited or subject to review and the audit report is not attached, details of any qualifications ~~are attached~~/will follow immediately they are available\* (*delete one*). (*Half yearly statement only - the audit report must be attached to this statement if the statement is to satisfy the requirements of the Corporations Act.*)
6. The *issuer has/does not have*\* (*delete one*) a formally constituted audit committee.

Sign here:

Chief Executive Officer  
(Director/Company secretary)Date: March 16, 2015Print name: Loi Cheng Pheng