

AEERIS LIMITED and its controlled entities
Appendix 4D Half Year Report**Results for announcement to the market**

	31 Dec 2017 \$	31 Dec 2016 \$	%
Revenue from Ordinary activities	689,067	554,900	24.18%
Profit/(Loss) from ordinary activities after tax attributable to members	269,889	78,477	243.92%
Net Profit/(Loss) attributable to members	269,889	78,477	243.92%

The Company does not propose to pay a dividend.

Net tangible assets	31 Dec 2017 \$	31 Dec 2016 \$
Net tangible assets per ordinary shares	0.02	0.03

The further information required by the Listing Rule 4.2A.3 is included in the accompanying Financial Report.

Please refer to the Directors' Report for an explanation of the operational and financial results for the Group.

Kerry Plowright
Chairman

27th February 2017



Aeeris Limited

**ABN 18 166 705 595
and Controlled Entities**

Consolidated Interim Financial Report For the period ended 31 December 2017

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Aeeris Limited

ABN 18 166 705 595
and Controlled Entities

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Aeris Limited

ABN 18 166 705 595
and Controlled Entities

Directors Report for the Half Year Ended 31 December 2017

Your Directors present their report together with the Consolidated Financial Statements of Aeris Limited ('the Company') for the half year ended 31 December 2017.

Directors

The names of the directors in office during and since the end of the financial period, unless otherwise stated, are as follows:

Mr Kerry Maurice Plowright
Mr Bryce Reynolds
Mr Nathan Young (appointed 21 February 2018)
Mr Ben Loiterton (resigned 21 February 2018)

Review and results of operations and financial position

The Company recorded a consolidated profit of \$269,889 for the period ended 31 December 2017 (2016 Profit: \$78,477).

Subsequent Events

On 21st February 2018, Mr Ben Loiterton resigned as a director and was replaced by Mr Nathan Young who was appointed as an independent non-executive director.

Auditors' independence declaration

The lead auditors' independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the period ended 31 December 2017 has been received and can be found on page 4.

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

Director:

Mr Kerry Plowright

Dated this 27th day of February 2018



**AEERIS LIMITED ABN 18 166 705 595
AND CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION UNDER S 307C
OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF AEERIS LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2017 there have been no contraventions of:

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

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro
Director

Sydney

Dated this 27th day of February 2018

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AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Notes	Consolidated Half Year Ended 31 Dec 2017 \$	Consolidated Half Year Ended 31 Dec 2016 \$
Revenue	2	689,067	554,900
Other income	2	6,102	11,810
R & D refund		487,179	589,057
		<u>1,182,348</u>	<u>1,155,767</u>
SMS Communication		(74,143)	(38,643)
Weather reports		(41,297)	(44,603)
Depreciation and Amortisation		(5,298)	(124,955)
Licence fees		(25,842)	(47,141)
Subcontractors		(58,751)	(73,410)
Consulting fees		(164,115)	(247,197)
Employee benefits expense		(349,779)	(280,734)
IT costs		(49,513)	(47,861)
Share based payments		(39,667)	-
Other expenses from ordinary activities	3	(104,053)	(172,746)
Profit/(Loss) Before Income Tax		<u>269,889</u>	<u>78,477</u>
Income tax expense		-	-
Profit/(Loss) for the Period		<u><u>269,889</u></u>	<u><u>78,477</u></u>
Earnings per Share			
From continuing and discontinued operations:			
- Basic earnings/(loss) per share (cents)	11	0.49	0.14
- Diluted earnings/(loss) per share (cents)	11	0.49	0.14

The above consolidated statement of profit or loss should be read in conjunction with the accompanying notes.

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2017

	Notes	Consolidated As at 31 Dec 2017 \$	Consolidated As at 30 Jun 2017 \$
Current Assets			
Cash & cash equivalents		1,040,481	751,284
Trade & other receivables		223,743	179,400
Total Current Assets		<u>1,264,224</u>	<u>930,684</u>
Non Current Assets			
Property, plant & equipment		26,305	31,603
Other assets		-	15,000
Total Non Current Assets		<u>26,305</u>	<u>46,603</u>
Total Assets		<u>1,290,529</u>	<u>977,287</u>
Current Liabilities			
Trade & other payables		196,532	248,454
Provisions		37,627	40,686
Total Current Liabilities		<u>234,159</u>	<u>289,140</u>
Total Liabilities		<u>234,159</u>	<u>289,140</u>
Net Assets		<u>1,056,370</u>	<u>688,147</u>
Equity			
Issued capital	5	5,019,351	4,921,017
Options reserve		94,967	94,967
Accumulated losses		(4,057,948)	(4,327,837)
Total Equity		<u>1,056,370</u>	<u>688,147</u>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Notes	Accumulated Losses \$	Options Reserve \$	Issued Capital \$	Total \$
Consolidated Group					
Balance as at 1 July 2016		(2,292,287)	94,967	4,921,017	2,723,697
Profit for the financial period		78,477	-	-	78,477
Balance as at 31 December 2016		(2,213,810)	94,967	4,921,017	2,802,174
Balance as at 1 July 2017		(4,327,837)	94,967	4,921,017	688,147
Profit for the financial period		269,889	-	-	269,889
Shares issued during the period		-	-	98,334	98,334
Balance as at 31 December 2017		(4,057,948)	94,967	5,019,351	1,056,370

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

AEERIS LIMITED
ABN 18 166 705 595
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CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Consolidated Half Year Ended 31 Dec 2017 \$	Consolidated Half Year Ended 31 Dec 2016 \$
Cash flow from operating activities		
Receipts from customers	640,491	499,171
Interest received	6,102	11,810
R & D refund received	487,179	589,057
Payments to suppliers & employees	(844,575)	(1,033,644)
Net cash provided by/(used in) operating activities	289,197	66,394
Cash flow from investing activities		
Purchases of property, plant & equipment	-	(4,906)
Payments for intangibles	-	(508,178)
Net cash used in investing activities	-	(513,084)
Cash flow from financing activities		
Net cash provided by/(used in) financing activities	-	-
Net decrease in cash held	289,197	(446,690)
Cash & cash equivalents at the beginning of the period	751,284	1,734,348
Cash & cash equivalents at the end of the period	1,040,481	1,287,658

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

AERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

NOTE 1. Statement of Significant Accounting Policies

Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2017 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Aeeris Limited and its controlled entities (referred to as the "consolidated group" or "group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2017, together with any public announcements made during the following half-year.

Accounting Policies

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The group has considered the implications of new or amended accounting standards, but determined that their application to the financial statements is either not relevant or not material.

Critical Accounting Estimates and Judgments

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the company.

Key Estimates

Impairment

The group assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions.

Key Judgements

Employee Benefits

For the purpose of measurement, AASB 119: Employee Benefits (September 2011) defines obligations for short-term employee benefits as obligations expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services. As the group expects that all of its employees would use all of their annual leave entitlements earned during a reporting period before 12 months after the end of the reporting period, the directors consider that obligations for annual leave entitlements satisfy the definition of short-term employee benefits and, therefore, can be measured at the amounts expected to be paid to employees when the obligations are settled.

AEERIS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Consolidated Half Year Ended 31 Dec 2017 \$	Consolidated Half Year Ended 31 Dec 2016 \$
NOTE 2. Revenue and Other Income		
Revenue from ordinary activities		
Sales revenue:		
Subscription income	689,067	554,900
	<u>689,067</u>	<u>554,900</u>
Other revenue:		
Interest received	6,102	11,810
R&D refund	487,179	589,057
	<u>493,281</u>	<u>600,867</u>
NOTE 3. Other Expenses		
Expenses		
Cleaning	4,725	6,871
Secretarial fee	15,273	19,800
Insurance	6,113	7,419
Rent	12,907	39,919
Travelling & accommodation	23,689	24,867
Registry services	5,112	6,987
Bad debts expense	-	23,784
Other operating expenses	36,234	43,099
	<u>104,053</u>	<u>172,746</u>
	Consolidated As at 31 Dec 2017 \$	Consolidated As at 30 Jun 2017 \$
NOTE 4. Intangible Assets		
Goodwill		
Opening Balance	-	252,716
Impairment Losses	-	(252,716)
Closing Balance	<u>-</u>	<u>-</u>
Directors test goodwill annually for impairment.		
EWN Development Expenditure		
Opening Balance	-	811,345
Movements during the period	-	521,251
Amortisation	-	(1,332,596)
Closing Balance	<u>-</u>	<u>-</u>
Total Intangibles	<u>-</u>	<u>-</u>

AEERIS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	Consolidated As at 31 Dec 2017 \$	Consolidated As at 30 Jun 2017 \$
NOTE 5. Issued Capital		
Fully Paid Ordinary Shares	5,659,708	5,561,374
Capital Raising Costs	(640,357)	(640,357)
Closing balance	<u>5,019,351</u>	<u>4,921,017</u>
Ordinary Shares	No.	No.
Opening Issued Capital	54,902,570	54,902,570
Shares Issued – 24 November 2017	1,756,288	-
At the end of the reporting period	<u>56,658,858</u>	<u>54,902,570</u>

NOTE 6. Dividends

No dividends were paid during the period.

NOTE 7. Events after the End of the Interim Period

On 21st February 2018, Mr Ben Loiterton resigned as a director and was replaced by Mr Nathan Young who was appointed as an independent non-executive director.

NOTE 8. Interest in Subsidiaries

The consolidated financial statements include the financial statements of Aeeris Limited and its controlled entity.

Company	Place of Incorporation	Principal Activities	% of issued shares owned
Early Warning Network Pty Ltd	Australia	Early Warning Notifications	100%

NOTE 9. Operating Segments

There was only one operating segment during the period which was early warning notifications.

NOTE 10. Contingent Liabilities

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

AEERIS LIMITED
ABN 18 166 705 595
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

NOTE 11. Earnings Per Share

	No. of Shares As at 31 Dec 2017	No. of Shares As at 31-Dec-2016
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share.	55,255,737	54,902,570
	Consolidated Half Year Ended 31 Dec 2017 \$	Consolidated Half Year Ended 31 Dec 2016 \$
Net Profit/(loss) after income tax attributable to shareholders	269,889	78,477
	Cents	Cents
Basic earnings/(loss) per share	0.49	0.14
Diluted earnings/(loss) per share	0.49	0.14

NOTE 12. Fair Value Measurements

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows, and based on the lowest level input that is significant to the fair value measurements as a whole:

Level 1 – Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities.

Level 2 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is directly observable).

Level 3 – Valuation techniques (for which the lowest level input that is significant to the fair value measurement is unobservable).

The following table represents a comparison between the carrying amounts and fair values of financial assets and liabilities:

	Level	As at 31 December 2017	As at 30 June 2017		
		Carrying amount	Fair value	Carrying amount	Fair value
		\$	\$	\$	\$
Financial assets					
Cash & cash equivalents	1	1,040,481	1,040,481	751,284	751,284
Other assets	1	-	-	15,000	15,000
Trade & other receivables	1	223,743	223,743	179,400	179,400
Financial liabilities					
Trade & other payables	1	196,532	196,532	248,454	248,454

AEERIS LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2017

NOTE 12. Fair Value Measurements (Continued)

The following table represents a comparison between the carrying amounts and fair values of non-financial assets and liabilities:

	Level	As at 31 December 2017		As at 30 June 2017	
		Carrying amount	Fair value	Carrying amount	Fair value
		\$	\$	\$	\$
Non-financial assets					
Property, plant and equipment	2	26,305	26,305	31,603	31,603
Non-financial liabilities					
Provisions	2	37,627	37,627	40,686	40,686

**AEERIS LIMITED
ABN 18 166 705 595
AND CONTROLLED ENTITIES**

Directors' Declaration

In accordance with a resolution of the directors of Aeeris Limited, the directors declare that:

1. The financial statements and notes, as set out on pages 5 to 13, are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: *Interim Financial Reporting*; and
 - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2017 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.



Director: _____
Mr Kerry Maurice Plowright

Dated this 27th day of February 2018



**AEERIS LIMITED ABN 18 166 705 595
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
AEERIS LIMITED**

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Aeeris Limited, which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss, the consolidated statement of changes in equity, and 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.

Directors' Responsibility for the Half-year Financial Report

The directors of Aeeris Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Aeeris Limited's financial position as at 31 December 2017 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 Aeeris Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

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Independence

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

Conclusion

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

- (i) giving a true and fair view of Aeeris Limited's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

MNSA Pty Ltd

MNSA Pty Ltd

Mark Schiliro
Director

Sydney
Dated 27th day of February 2018

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