



TOTAL FACE GROUP LTD

ASX:TFG

Half Year Results Release to Australian Stock Exchange

29th February 2016

Total Face Group Limited (“TFG” or “the Company”), is pleased to announce its first half results for FY2016.

The half included part contributions from acquisitions and preparation for its Australian Stock Exchange (ASX) listing.

In the period since 31 December 2015, the company has:

- Been admitted to the ASX (14 January 2016)
- Successfully completed a \$6m capital raising
- Secured leading Australian institutions to its share register
- Completed the acquisitions of “Rejuven8” and “Face Today”; thereby completing the acquisitions and clinic footprint detailed in the Company’s Prospectus

Highlights of the HY16 period include the:

- Successful acquisition of the Heber Davis Clinic in Sydney, the company’s initial entry into this key market
- Further investment in TESSA, its proprietary end-to-end clinical and operational support system
- Secured additional revenue enhancing equipment to be installed and cross sold through the network
- Enhanced clinical management team through recruitment of experienced personnel from within the industry
- Commenced standardisation of procedures and policies across acquired clinics

The reported statutory performance for the HY16 was revenue of \$2,988,554 and EBITDA of (\$264,736). In the period the company grew from 32 to 41 employees. Pleasingly, in addition to the contribution from the Heber Davis acquisition, the Company enjoyed significant organic growth of in its Melbourne clinics.

Total Face Group now has 9 clinics across Melbourne (6) and Sydney (3), thereby completing the acquisitions outlined in the Company’s Prospectus. The network provides the foundation for future growth and as it stands delivers annualised revenues of approximately \$12m across the group. Further opportunities on both the organic and acquisitive front to grow the network are being assessed. The company is also focused on driving organic growth and margin enhancement as it continues to deliver client outcomes.

TOTAL FACE GROUP LIMITED

Joanne Hannah
Chief Executive Officer
Jo.hannah@totalfacegroup.com



Appendix 4D & Half Year Financial Report

Rule 4.2A

Results for announcement to the market

Details of the reporting period and the previous corresponding period

Reporting Period: Half Year ended 31 December 2015
 Previous corresponding period(s): Half Year ended 31 December 2014
 Year ended 30 June 2015

Results for announcement to the market

	Movement	\$ Change	% Change
Revenue from ordinary activities	Increase in revenue	\$2,200,792	279%
Net loss for the period attributable to members	Increase in loss	\$304,237	118%

Dividends

No dividends declared during the half financial year. No dividends declared subsequent to the half financial year end.

Explanation of Results

The half year results of the Company are consistent with the expectations of the Directors given the acquisitive and organic growth achieved during the period. The period's EBITDA, whilst a loss, improved from the previous six month period.

Net tangible assets

	At 31 Dec 2015	At 30 June 2015	% Change
Net tangible assets per security	\$0.02	\$0.21	(90%)

Whilst net tangible assets increased 108% from the previous corresponding period (30 June 2015), the number of securities also increased by 1819% due to new share issues and the 11:1 reconstruction of paid up capital as approved by shareholders in October 2015.

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

The Company gained control of Heber Davis Pty Ltd through acquisition of 100% of the share capital on 9th October 2015.

Heber Davis contributed revenue of \$871,199 and profit from ordinary activities of \$164,251 for the period 9th October to 31st December 2015. The unaudited profit from ordinary activities for the period 1 July 2014 to 31st December 2014 was \$280,142.

Details of the acquisition are set out in Note 7 of the condensed consolidated financial report attached.

TOTAL FACE GROUP LIMITED

**TOTAL FACE GROUP LIMITED
ABN: 43 169 177 833
AND CONTROLLED ENTITIES**

**FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2015**

This half-year financial report is to be read
in conjunction with the financial report for
the year ended 30 June 2015

**TOTAL FACE GROUP LIMITED AND CONTROLLED ENTITIES
FINANCIAL REPORT FOR THE HALF-YEAR ENDED
31 DECEMBER 2015**

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DIRECTORS' REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2015

The directors present their report together with the condensed financial report of the consolidated entity consisting of **TOTAL FACE GROUP LIMITED** (the Company) and its controlled entities (the Group) for the half-year ended 31 December 2015 and independent review report thereon. This financial report has been prepared in accordance with AASB 134 Interim Financial Reporting.

Directors names

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

Name	Period of directorship
Paul Fielding	Executive Chairman, Director since 22 April 2014
Joanne Hannah	Director since 18 May 2015
John Conidi	Non-Executive Director since 18 May 2015
Vilma Di Maria	Non- Executive Director since 13 October 2015

The directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

Review of operations

The consolidated loss of the Group for the half-year after providing for income tax amounted to \$562,670 (2014: \$258,433 loss).

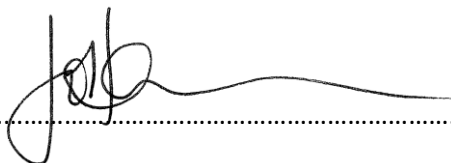
The results for the first half of financial year 2016 reflect our:

- Significant investment in inventory to take advantage of discounts on offer from key suppliers;
- Establishment of the Windsor clinic , our first greenfield site;
- Continued investment in Total Face Group's end-to-end support system & application ("TESSA"); and
- Admission process undertaken to list the Company on the ASX in January 2016.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporation Act 2001 in relation to the review for the half-year is provided with this report.

Signed in accordance with a resolution of the directors:

Director.....

Dated this 29th day of February 2016

TOTAL FACE GROUP LIMITED AND CONTROLLED ENTITIES
ABN 43 169 177 833
AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF TOTAL FACE GROUP LIMITED

In relation to the independent auditor's review for the half-year ended 31 December 2015, to the best of my knowledge and belief there have been:

- (i) No contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) No contraventions of any applicable code of professional conduct.

This declaration is in respect of Total Face Group Limited and the entities it controlled during the period.



M W PRINGLE
Partner

Dated 29 February 2016



PITCHER PARTNERS
Melbourne

TOTAL FACE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 43 169 177 833

**CONDENSED CONSOLIDATED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

	Half-year 31-Dec-15	Half-year 31-Dec-14
	\$	\$
Revenue and Other Income		
Sales revenue	2,982,939	787,762
Other income	5,615	-
	2,988,554	787,762
Less: Expenses		
Materials and consumables used	597,620	241,338
Accounting	93,269	9,809
Advertising	113,036	7,272
Contractor costs	753,534	250,213
Employee benefits expense	1,003,281	321,793
Depreciation and amortisation expenses	224,738	45,582
Occupancy expenses	213,825	60,413
Finance costs	73,387	23,113
Insurance	13,472	5,307
Transport	45,904	2,931
Telephone & Internet	94,731	18,791
Consultants	86,226	4,125
Other expenses	238,201	55,508
	3,551,224	1,046,195
Loss before income tax expense	(562,670)	(258,433)
Income tax expense	-	-
Net Loss from continuing operations	(562,670)	(258,433)
Other comprehensive income for the half-year	-	-
Total comprehensive income for the half-year	(562,670)	(258,433)
Total comprehensive income attributable to:		
Members of the parent	(562,670)	(258,433)
Earnings per share for profit from continuing operations attributable to equity holders of the parent entity:		
Basic earnings per share	(0.01)	(0.09)
Diluted earnings per share	(0.01)	(0.09)

TOTAL FACE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 43 169 177 833

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015**

		31-Dec 2015 \$	30-Jun 2015 \$
Current assets			
Cash and cash equivalents	5	576,817	371,947
Receivables		84,320	238,286
Inventories		868,902	183,791
Other current assets	6	583,880	25,061
Total current assets		2,113,919	819,085
Non-current assets			
Receivables		200,962	200,962
Other assets		78,758	35,856
Property, plant and equipment	8	2,054,880	1,408,401
Intangible assets	9	5,970,638	3,217,470
Deferred tax assets		42,103	7,745
Total non-current assets		8,347,341	4,870,434
Total assets		10,461,260	5,689,519
Current liabilities			
Payables		934,757	680,851
Income in advance		99,444	-
Borrowings	10	526,613	294,669
Deferred Consideration		250,000	-
Employee Entitlement Provisions		99,861	71,371
Total current liabilities		1,910,675	1,046,891
Non-current liabilities			
Borrowings	10	1,217,077	783,950
Employee Entitlement Provisions		29,318	1,137
Total non-current liabilities		1,246,395	785,087
Total liabilities		3,157,070	1,831,978
Net assets		7,304,190	3,857,541
Equity			
Share capital	11	8,951,875	4,942,556
Accumulated losses		(1,647,685)	(1,085,015)
Total equity		7,304,190	3,857,541

TOTAL FACE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 43 169 177 833

**CONDENSED CONSOLIDATED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

Consolidated	Contributed equity \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Balance as at 1 July 2014	1,213,750	-	(316,415)	897,335
Loss for the half-year	-	-	(258,433)	(258,433)
Total comprehensive income for the half-year	-	-	(258,433)	(258,433)
Transactions with owners in their capacity as owners:				
Shares issued during the period	757,409	-	-	757,409
Capital raising costs	(6,364)	-	-	(6,364)
Total transactions with owners in their capacity as owners	751,045	-	-	751,045
Balance as at 31 December 2014	1,964,795	-	(574,848)	1,389,947

Consolidated	Contributed equity \$	Reserves \$	Accumulated Losses \$	Total Equity \$
Balance as at 1 July 2015	4,942,556	-	(1,085,015)	3,857,541
Loss for the half-year	-	-	(562,670)	(562,670)
Total comprehensive income for the half-year	-	-	(562,670)	(562,670)
Transactions with owners in their capacity as owners:				
Shares issued during the period	4,260,000	-	-	4,260,000
Capital raising costs	(250,681)	-	-	(250,681)
Total transactions with owners in their capacity as owners	4,009,319	-	-	4,009,319
Balance as at 31 December 2015	8,951,875	-	(1,647,685)	7,304,190

TOTAL FACE GROUP LIMITED AND CONTROLLED ENTITIES

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2015**

	Half-year 31-Dec-15 \$	Half-year 31-Dec-14 \$
Cash flow from operating activities		
Receipts from customers	3,565,950	866,538
Payments to suppliers and employees	(4,485,562)	(1,124,040)
Finance costs	(73,387)	(23,113)
Interest received	191	-
Income tax paid	(34,358)	-
Net cash used in operating activities	(1027,166)	(280,615)
Payment for investments	(2,100,000)	(1,178,750)
Payment for property, plant and equipment	(889,690)	(602,169)
Payment for other non-current assets	(202,685)	(12,250)
Net cash used in investing activities	(3,192,375)	(1,793,169)
Proceeds from share issue	4,010,000	711,158
Payments for shares issue costs	(250,682)	(6,364)
Proceeds from borrowings	889,690	586,585
Repayment of borrowings	(180,847)	(39,475)
Repayment of related party loan	(43,750)	-
Net cash provided by financing activities	4,424,411	1,251,904
Net increase / (decrease) in cash and cash equivalents	204,870	(821,880)
Cash and cash equivalents at beginning of half-year	371,947	887,969
Cash and cash equivalents at end of the half-year	576,817	66,089

NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

This condensed consolidated half-year financial report does not include all the notes of the type usually included in an annual financial report.

It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2015 and any public announcements made by Total Face Group Limited during the half-year in accordance with any continuous disclosure obligations arising under the *Corporations Act 2001*.

Total Face Group Limited is a for-profit entity for the purpose of preparing the financial statements.

The half-year financial report was authorised for issue by the directors as at the date of the directors' report.

(a) Basis of preparation

This condensed consolidated half-year financial report has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting*, as appropriate for for-profit entities, and the *Corporations Act 2001*. Compliance with AASB 134, as appropriate for for-profit entities, ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

The half-year financial report has been prepared under the historical cost convention as modified by revaluation to fair value for certain classes of assets as described in accounting policies.

(b) Summary of the significant accounting policies

The accounting policies applied in this half-year financial report are consistent with those of the annual financial report for the year ended 30 June 2015 and the corresponding half-year.

(c) Rounding amounts

The Company is of a kind referred to in ASIC Class Order CO 98/0100 and in accordance with that Class Order, amounts in the financial statements have been rounded off to the nearest dollar.

NOTE 2: CHANGE IN ACCOUNTING ESTIMATE

During the period to 31 December 2015 the company reassessed the useful life of the consumables required for use in the coolsculpting machines. At the time of recognition of the asset there was an expectation that it would be used for more than one period and the assumption was reasonable given the available information at the time. During the period to 31 December 2015 the usage of the asset indicated that it would have a useful life less than one period. The change in estimate resulted in a reclassification between property plant and equipment and inventory. Details of the reclassification are disclosed in Note 8 to this condensed financial report.

NOTE 3: SEGMENT INFORMATION

Operating Segments

Total Face Group Limited and its controlled entities operate cosmetic injectable and aesthetic clinics. There is only one reportable segment based on the aggregation criteria in AASB 8 *Operating Segments*.

TOTAL FACE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 43 169 177 833

NOTE 4: FAIR VALUES

The fair values of financial assets and financial liabilities approximate their carrying amounts as disclosed in the condensed consolidated statement of financial position and notes to the condensed financial report.

NOTE 5: CASH AND CASH EQUIVALENTS

	31-Dec-15	30-Jun-15
	\$	\$
Cash on hand	2,278	1,800
Cash at bank	574,539	370,147
	<u>576,817</u>	<u>371,947</u>

NOTE 6: OTHER CURRENT ASSETS

	31-Dec-15	30-Jun-15
	\$	\$
Deposits paid	225,000	23,250
Initial Public Offering Costs	310,832	-
Prepaid expenses	48,048	1,811
	<u>583,880</u>	<u>25,061</u>

NOTE 7: BUSINESS COMBINATIONS

On 9th October 2015, the consolidated entity acquired 100% of the share capital of Heber Davis Pty Ltd. Heber Davis is a premium cosmetic clinic in Broadway, Sydney NSW. The acquisition is in line with the company's acquisitive growth strategy to become a national industry leader.

Details of the purchase consideration:

	\$
Cash paid	2,100,000
Shares issued	250,000
Deferred consideration	250,000
Total purchase consideration	<u>2,600,000</u>

74,074 shares (pre-reconstruction) were issued as part of the consideration transferred at a price of \$3.375 (pre-reconstruction), which was based on a 10% discount of the post-money valuation at last capital raise.

Deferred Consideration

The post-completion payment of \$250,000 is to be 50% cash & 50% shares in Total Face Group Limited. This deferred consideration is contingent on Heber Davis Pty Ltd achieving EBITDA of \$550,000 for financial year ending 30 June 2016. The issue of any shares as part of this post completion payment will be based on a 30 day weighted average share price preceeding 31 August 2016.

TOTAL FACE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 43 169 177 833

NOTE 7: BUSINESS COMBINATIONS cont'd

Assets and liabilities acquired	Recognised on acquisition at fair value \$
Cash	130,733
Prepayments	83,022
Inventory	272,461
Property, plant and equipment	218,179
Deferred Tax Assets	34,358
Income in advance	(103,237)
Trade and other creditors	(484,566)
Provisions	(101,434)
Net identifiable assets acquired	49,516
Add: goodwill	2,550,484
Total purchase consideration	2,600,000

Goodwill is not deductible for tax purposes.

Contribution since acquisition

Since the acquisition date Heber Davis Pty Ltd has contributed revenue of \$871,199 and a net profit of \$164,251 which is included within the consolidated loss for the period.

Transaction costs

Transaction costs of \$37,038 were incurred in relation to the acquisition. These costs are included with consulting expenses in the statement of comprehensive income.

NOTE 8: PROPERTY, PLANT & EQUIPMENT

	31-Dec-15 \$	30-June-15 \$
Leasehold Improvements	264,795	51,628
Less: Accumulated depreciation	(127,556)	(608)
	137,239	51,020
Clinic Equipment	2,433,016	1,496,375
Less: Accumulated depreciation	(564,612)	(155,739)
	1,868,404	1,340,636
Computer Equipment	29,993	19,639
Less: Accumulated depreciation	(5,872)	(2,894)
	24,121	16,745
Motor Vehicle	27,000	-
Less: Accumulated depreciation	(1,884)	-
	25,116	-
Total Property, Plant & Equipment	2,054,880	1,408,401

TOTAL FACE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 43 169 177 833

Reconciliations of the carrying amounts at the beginning and end of the half-year ending 31 December 2015 are provided below.

	Leasehold Improvements	Clinic Equipment	Computer Equipment	Motor Vehicle	Total
	\$	\$	\$	\$	\$
Balance at 1 July 2015	51,020	1,340,636	16,745	-	1,408,401
Additions	96,448	973,125	11,044	27,000	1,107,617
Depreciation expense	(10,229)	(208,957)	(3,668)	(1,884)	(224,738)
Useful life revision		(236,400)			(236,400)
Balance at 31 December 2015	137,239	1,868,404	24,121	25,116	2,054,880

NOTE 9: INTANGIBLE ASSETS

Changes to intangible assets resulted primarily from the acquisition of Heber Davis Pty Ltd during the reporting period (refer to Note 5 for further details) and continued investment in our custom built, end-to-end clinical & operational system, "TESSA".

	31-Dec-15	30-Jun-15
	\$	\$
Goodwill at cost	5,649,244	3,098,760
Software at cost	320,362	118,710
Software Licence	1,281	-
Less: Accumulated amortisation	(249)	-
	<u>1,032</u>	<u>-</u>
	<u>5,970,638</u>	<u>3,217,470</u>

NOTE 10: BORROWINGS

	31-Dec-15	30-Jun-15
	\$	\$
Current		
<i>Secured Liabilities</i>		
Finance Lease Liability	683,067	350,450
Future Leasing Finance Charges	(156,454)	(99,531)
Related Party Loan	-	43,750
	<u>526,613</u>	<u>294,669</u>
Non Current		
<i>Secured Liabilities</i>		
Finance Lease Liability	1,360,050	902,923
Future Leasing Finance Charges	(142,973)	(118,973)
	<u>1,217,077</u>	<u>783,950</u>

(a) Terms and conditions and assets pledging as security relating to the above financial instruments

The assets under finance lease remain the property of the financier.

TOTAL FACE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 43 169 177 833

NOTE 11: CONTRIBUTED CAPITAL

	Parent Equity Half-Year 31-Dec-15		Parent Equity Half-Year 31-Dec-14	
	No of Shares	\$	No of Shares	\$
Movements in contributed capital				
Beginning of the half-year	4,140,015	4,942,556	2,450,000	1,213,750
Issued during the half-year				
Heber Davis acquisition	74,074	250,000	-	-
Capital raising	1,066,666	4,010,000	576,313	757,409
Capital raising costs		(250,681)		(6,364)
Reconstruction (11:1)	52,807,550	-	-	-
End of the half-year	<u>58,088,305</u>	<u>8,951,875</u>	<u>3,026,313</u>	<u>1,964,795</u>

NOTE 12: SUBSEQUENT EVENTS

Material events subsequent to the end of the half-year that have not been recognised in the half-year financial statements:

(a) Capital Raising at \$0.40 per share to raise \$6 million through initial public offering. As at 31 December 2015 \$6 million had been applied for and the offer closed. Allotment occurred in early January 2016 while admission & quoting on the Australian Stock Exchange occurred on 14 January 2016.

(b) On the 3rd February 2016, Total Face Group Limited executed a business sale and purchase agreement to acquire **Face Today Mediclinic** in Chatswood, NSW. The purchase price includes a payment of \$650,000. Post completion the payment of a maximum of \$240,000 to be satisfied as to 50% by issue to the Seller in shares and as to 50% in cash. The fair value of the assets acquired are being determined and will be disclosed at the next reporting date.

Details of the purchase consideration:

	\$
Cash paid	650,000
Deferred consideration	240,000
Total purchase consideration	<u>890,000</u>

(c) On the 24th February 2016, Total Face Group Limited executed a business sale and purchase agreement to acquire **Rejuven8 Penrith Skin Clinic**. The purchase price includes a payment of \$450,000. Post completion the payment of a maximum of \$300,000 to be satisfied as to 50% by the issue to the Seller of shares and as to 50% in cash. The fair value of the assets acquired are being determined and will be disclosed at the next reporting date.

Details of the purchase consideration:

	\$
Cash paid	450,000
Deferred consideration	300,000
Total purchase consideration	<u>750,000</u>

TOTAL FACE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 43 169 177 833

NOTE 13: CONTINGENT LIABILITIES

The consolidated entity had no contingencies at 31 December 2015 (30 June 2015: none).

TOTAL FACE GROUP LIMITED AND CONTROLLED ENTITIES

ABN: 43 169 177 833

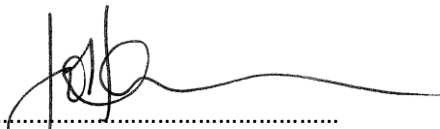
DIRECTORS' DECLARATION

The directors declare that the financial statements and notes set out on pages 5 to 14 in accordance with the *Corporations Act 2001*:

- (a) Comply with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*, and other mandatory professional reporting requirements; and
- (b) Give a true and fair view of the financial position of the consolidated entity as at 31 December 2015 and of its performance for the half-year ended on that date.

In the directors' opinion there are reasonable grounds to believe that **Total Face Group Limited** 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 directors.



.....
JOANNE HANNAH

Director

Melbourne

Date 29/2/16

**TOTAL FACE GROUP LIMITED
ABN 43 169 177 833
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
TOTAL FACE GROUP LIMITED**

We have reviewed the accompanying half-year financial report of Total Face Group Limited and controlled entities, which comprises the condensed consolidated statement of financial position as at 31 December 2015, the condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity and condensed 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 the period's end or from time to time during the half year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company 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 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 the consolidated entity's financial position as at 31 December 2015 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 Total Face Group 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 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*.

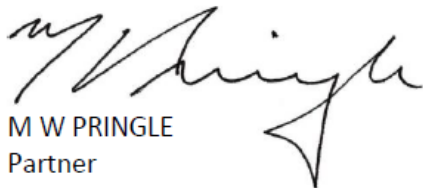
**TOTAL FACE GROUP LIMITED
ABN 43 169 177 833
AND CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF
TOTAL FACE GROUP LIMITED**

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 Total Face Group 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 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



M W PRINGLE
Partner

Dated 29 February 2016



PITCHER PARTNERS
Melbourne