ROBO 3D, Inc.

Financial Statements
Six Months Ended December 31, 2015
and Years Ended June 30, 2015 and 2014

The report accompanying these financial statements was issued by
BDO USA, LLP, a Delaware limited liability partnership and the U.S. member of
BDO International Limited, a UK company limited by guarantee.

ROBO 3D, Inc.

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Six Months Ended December 31, 2015
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ROBO 3D, Inc.

Contents

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Independent Auditor's Report

Management
ROBO 3D, Inc.
San Diego, California

We have audited the accompanying financial statements of ROBO 3D, Inc., which comprise the statements of financial position as of December 31, 2015, June 30, 2015, and June 30, 2014, and the related statements of profit or loss and other comprehensive income (loss), changes in equity, and cash flows for the six months ended December 31, 2015 and the years ended June 30, 2015 and 2014, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Basis for Qualified Opinion

We did not observe the taking of the physical inventory as of June 30, 2013, since that date was prior to our appointment as auditors for the Company, and we were unable to satisfy ourselves regarding inventory quantities by means of other auditing procedures. Inventory amounts as of June 30, 2013 enter into the determination of net income and cash flows for the year ended June 30, 2014.

Because of the significance of the matter described in the Basis for Qualified Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the results of operations and cash flows for the year ended June 30, 2014. Accordingly, we do not express an opinion on the results of operations and cash flows for the year ended June 30, 2014.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of ROBO 3D, Inc. as of December 31, 2015, June 30, 2015 and 2014, and its financial performance and cash flows for the six months ended December 31, 2015 and the year ended June 30, 2015 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Emphasis of Matter – Uncertainty Regarding Going Concern

Without qualifying our opinion, we draw attention to Note 16 in the financial statements which indicates that the Company incurred a net loss of $300,076 during the six months ended December 31, 2015 and, as of that date, the Company's current liabilities exceeded its current assets by $348,036. These conditions, along with other matters as set forth in Note 16, indicate the existence of a material uncertainty that may cast significant doubt about ROBO 3D, Inc.'s ability to continue as a going concern.

BDO USA, LLP

La Jolla, CA
August 3, 2016

Financial Statements

ROBO 3D, Inc.

Statements of Profit or Loss and Other Comprehensive Income (Loss)

	Note	Six months ended December 31, 2015	Year ended June 30, 2015	Year ended June 30, 2014
Net revenues	4	**$ 2,175,435**	$ 2,393,023	$ 1,525,104
Cost of sales	5	**(1,183,170)**	(1,410,222)	(1,363,786)
Gross profit		**992,265**	982,801	161,318
Operating expenses:				
Employee benefit expense	6	**(219,300)**	(349,954)	(193,928)
General and administrative		**(812,063)**	(195,279)	(288,069)
Marketing and advertising		**(200,150)**	(253,877)	(86,169)
Depreciation expenses		**(1,418)**	(811)	-
Other expenses		**(6,982)**	(8,132)	(32,161)
(Loss) profit from operations		**(247,648)**	174,748	(439,009)
Finance expenses	5	**(51,628)**	(109,596)	(12,380)
(Loss) profit before income tax		**(299,276)**	65,152	(451,389)
Tax expense	7	**(800)**	(1,600)	-
Net (loss) income		**(300,076)**	63,552	(451,389)
Other comprehensive loss		**-**	-	-
Total comprehensive income (loss)		**$ (300,076)**	$ 63,552	$ (451,389)

The accompanying notes are an integral part of the financial statements. Refer to the independent auditors' report.

ROBO 3D, Inc.

Statements of Financial Position

	Note	Six months ended December 31, 2015	Year ended June 30, 2015	Year ended June 30, 2014
Assets				
Current assets				
Inventories, net	**8**	**$ 530,548**	$ 267,003	$ 49,781
Prepaid and other current assets	**9**	**300,977**	27,601	11,200
Trade and other receivables, net	**10**	**586,516**	192,866	3,786
Cash and cash equivalents	**11**	**161,632**	92,377	57,451
Total current assets		**1,579,673**	579,847	122,218
Property and equipment, net	**12**	**9,915**	4,056	-
Total assets		**1,589,588**	583,903	122,218
Liabilities				
Current liabilities				
Short term debt	**13**	**1,270,985**	348,264	230,774
Accrued product warranty		**88,465**	31,536	26,115
Accrued compensation		**28,450**	23,289	8,657
Trade and other payables	**14**	**494,856**	577,189	160,029
Deferred revenue		**44,953**	23,588	180,158
Total current liabilities		**1,927,709**	1,003,866	605,733
Net assets		**$ (338,121)**	$ (419,963)	$ (483,515)
Equity				
Share capital		**389,420**	7,502	7,502
Accumulated deficit		**(727,541)**	(427,465)	(491,017)
Total deficit		**$ (338,121)**	$ (419,963)	$ (483,515)

The accompanying notes are an integral part of the financial statements. Refer to the independent auditors' report.

August 3, 2016		
Date of approval of the financial statements	Daniel Koziol, CEO	Christopher Lamb, CFO

ROBO 3D, Inc.

Statements of Cash Flows

	Note	Six months ended December 31, 2015	Year ended June 30, 2015	Year ended June 30, 2014
Cash flows from operating activities				
(Loss) profit during the period		**$ (300,076)**	$ 63,552	$ (451,389)
Adjustments for:				
Depreciation of property and equipment	**12**	**1,418**	811	-
Changes in operating assets and liabilities:				
Decrease (increase) in inventories	**8**	**(263,545)**	(217,222)	437,308
Decrease (increase) in trade and other receivables	**10**	**(393,650)**	(189,081)	121,475
Decrease (increase) in prepaid and other current assets	**9**	**(273,376)**	(16,400)	(11,200)
Increase in accrued product warranty	**3**	**56,929**	5,421	26,115
Increase in accrued compensation		**5,161**	14,632	8,657
Increase (decrease) in trade and other payables	**14**	**(82,329)**	417,158	160,028
Increase in accrued interest		**31,358**	92,181	9,302
Increase (decrease) in deferred revenues	**2**	**21,364**	(156,569)	(625,387)
Cash (used in) provided by operating activities		**(1,196,746)**	14,483	(325,091)
Cash flows from investing activities				
Purchase of property and equipment	**12**	**(7,277)**	(4,867)	-
Cash used in investing activities		**(7,277)**	(4,867)	-
Cash flows from financing activities				
Proceeds from short term debt	**13**	**1,435,775**	801,739	368,142
Repayments on short term debt	**13**	**(154,995)**	(776,429)	(146,669)
Distribution to shareholders		**(7,502)**	-	-
Net cash provided by financing activities		**1,273,278**	25,310	221,473
Net increase (decrease) in cash and cash equivalents		**69,255**	34,926	(103,618)
Cash and cash equivalents at the beginning of period		**92,377**	57,451	161,069
Cash and cash equivalents at the end of period		**$ 161,632**	$ 92,377	$ 57,451

The accompanying notes are an integral part of the financial statements. Refer to the independent auditors' report.

ROBO 3D, Inc.

Statements of Changes in Equity

	Note	Members' Equity	Share Capital	Accumulated Deficit	Total Deficit
Balance, June 30, 2013		$ 7,502	$ -	$ (39,628)	$ (32,126)
Loss for the year		-	-	(451,389)	(451,389)
Balance, June 30, 2014		7,502	-	(491,017)	(483,515)
Profit for the year		-	-	63,552	63,552
Balance, June 30, 2015		7,502	-	(427,465)	(419,963)
Distributions		(7,502)	-	-	(7,502)
Capital contributions	15	-	350,808	-	350,808
Embedded conversion feature	13	-	38,612	-	38,612
Loss for the period		-	-	(300,076)	(300,076)
Balance, December 31, 2015		$ -	$ 389,420	$ (727,541)	$ (338,121)

The accompanying notes are an integral part of the financial statements. Refer to the independent auditors' report.

1. Background

Robo 3D, LLC was established in San Diego, CA, USA and commenced operations on January 22, 2013. On July 1, 2015, Robo 3D, Inc. a California C-corporation (the "Company") was established and the Board of Directors of the corporation assigned to Robo 3D, Inc. all of Robo 3D, LLC's assets in exchange for the corporation's assumption of certain liabilities and obligations of Robo 3D, LLC.

The Company's primary product is its consumer based R1+ 3D model printer, which it sells through online and retail channels. The Company is devoting a substantial amount of resources toward developing a new line of consumer based 3D printers that it expects to bring to market in late 2016.

While it has generated revenue from printer sales, the Company is still in an early stage and has supported its operations primarily through debt financing activities. The Company's ability to continue operations in the long-term is dependent upon additional financial support until consistent profitability is achieved. The Company is addressing its liquidity issues by seeking additional funds through lending and equity partnerships.

2. Significant Accounting Policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years and period presented, unless otherwise stated.

New Accounting Standards and Interpretations Not Yet Mandatory or Early Adopted

Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the reporting periods ended December 31, 2015, June 30, 2015 and 2014. The Company's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Company, are set out below.

IFRS 15 Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, *Revenue from Contracts with Customers,* which sets out the requirements for recognising revenue that apply to all contracts with customers (except for contracts that are within the scope of the standards on leases, insurance contracts and financial instruments). The standard applies to an annual reporting period beginning on or after January 1, 2018. The Company has yet to consider the impacts of this standard on the Company.

IFRS 16 Leases

In January 2016, the IASB issued IFRS 16, *Leases,* which specifies how a company will recognise, measure, present and disclose leases. The standard provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17. The standard applies to an annual reporting period beginning on or after January 1, 2019. The Company has yet to consider the impacts of this standard on the Company.

New, Revised or Amending Accounting Standards and Interpretations Adopted

The Company has adopted all of the new, revised or amending accounting standards and interpretations issued by the International Accounting Standards Board ("IASB") that are mandatory for the current reporting period.

Any new, revised or amending accounting standards or interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the Company from the adoption of these Accounting Standards and Interpretations are disclosed below. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Company.

Basis of Preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards issued by the IASB, International Accounting Standards and Interpretations (collectively IFRS).

Basis of Measurement

The financial statements have been prepared under the historical cost convention with the exception of financial instruments; which have been accounted for at fair value as established by IFRS.

Critical Accounting Estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3 to the financial statements.

Revenue Recognition

Revenue is recognised when it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Sales of Goods

Sales of goods revenue is recognised at the point of sale, where the customer has taken delivery of the goods, and the risks and rewards are transferred to the customer. Amounts disclosed as revenue are net of estimated sales returns and sales discounts.

The Company ships its products through multiple carriers either to distributors or end customers. Therefore, the Company estimates the number of days for the product to be delivered to the customer to determine which shipments are recognised as revenue at the end of the period. The delivery date estimates are based on average shipping transit times, which are determined to be 5 working days. The Company updates its estimates periodically based on updated transit times from the carriers. However, actual shipping times may differ from their estimates. As of December 31, 2015 and June 30, 2015 and 2014, the Company recognised deferred revenue of $44,953, $23,588, and $180,158, respectively.

The Company has established a provision for sales returns based upon estimated and known returns. Product returns are recorded as reduction of revenues and classified within trade and other payables.

Shipping and handling costs that are billed to customers are presented and included under net revenues. Amounts billed and received from customers for shipping and handling costs totalled $44,000, $75,644 and $58,120 for the six months ended December 31, 2015 and the years ended June 30, 2015 and 2014, respectively. Costs incurred for shipping and handling include amounts paid to 3rd parties for outbound shipments are included under cost of sales.

Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand, deposits with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash. The Company also includes deposits-in-transit from banks for payments related to third-party credit card and debit card transactions within cash equivalents.

Trade and Other Receivables

Trade receivables are initially recognised at fair value less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amounts directly. A provision for impairment of trade receivables is raised when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

Other receivables are recognised at amortised cost, less any provision for impairment.

Inventories

Finished goods inventories are stated at the lower of cost or net realisable value on an average cost basis. Cost comprises purchase prices including taxes, transport and handling, and any other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Any write-down to net realisable value is recognised as an expense in the period in which the write-down occurs. Any reversal is recognised in the statement of profit or loss and other comprehensive income or loss in the period in which the reversal occurs.

Property and Equipment

Property and equipment, which consists of capitalised software, is stated at historical cost less accumulated depreciation. Depreciation is calculated on a straight-line basis over the estimated useful life of three years.

Trade and Other Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 90 days of recognition.

Short-term Employee Benefits

Liabilities for wages and salaries and paid-time off expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Fair Value Measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Finance Expenses

Finance costs, which include interest expenses on term loans, line of credits and bank charges, are expensed in the period in which they are incurred.

Equity

The Company’s objectives when maintaining capital are to safeguard the entity’s ability to continue as a going concern and to provide returns for shareholders and other stakeholders. The Company sets the amount of capital it requires in proportion to risk and will manage its capital structure and make adjustments to it in the light of changes in the economic environment. In order to maintain or adjust the capital structure, the Company may issue dividends paid to shareholders, return capital to shareholders, issue new shares or classes of shares, or sell assets to reduce debt.

3. Critical Accounting Judgments, Estimates and Assumptions

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgments and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgments, estimates and assumptions on historical experience and on other various factors, including expectations of future events management believes to be reasonable under the circumstances. The resulting accounting judgments and estimates will seldom equal the related actual results. The judgments, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Provision for Impairment of Receivables

The provision for impairment of receivables assessment requires a degree of estimation and judgment. The level of provision is assessed by taking into account the recent sales experience, the ageing of receivables, historical collection rates and specific knowledge of the individual debtor financial position.

Provision for Impairment of Inventories

The provision for impairment of inventories assessment requires a degree of estimation and judgment. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

Property and Equipment

Property and equipment are initially recongised at cost. Cost includes the direct purchase price as well as directly attributable costs and the estimate present value of any future unavoidable costs of dismantling and removing items. The corresponding liability is recognised within provisions. The Company's property and equipment consist of third party software purchased for use. The Company depreciates the value of its software straight-line over 3 years.

Warranty Provision

The Company offers a 6 month limited warranty from the original date of sale on certain products. In determining the level of provision required for warranties the Company has made judgments in respect of the expected performance of the products, the number of customers who will actually claim under the warranty and how often, and the costs of fulfilling the conditions of the warranty. The provision is based on estimates made from historical warranty data associated with similar products and services. As of December 31, 2015, June 30, 2015 and 2014, the Company recorded accruals for product warranty of $88,465, $31,536 and $26,115, respectively. For the six months ended December 31, 2015 and the years ended June 30, 2015 and 2014, the Company paid $120,995, $38,984 and $55,477, respectively, related to product warranty claims.

Fair Value of Short-Term Debt

From time to time, the Company will enter into short term financing agreements to fund operations. Amounts borrowed under these agreements are generally due within 12 months of the withdrawal date (unless otherwise disclosed). Due to the short term nature of these financing agreements, the Company estimates that the fair value of the outstanding short-term debt is equivalent to the contractual value of the outstanding balance (unless otherwise disclosed).

Provision for Sales Returns

The Company has recognised revenue amounting to $2,175,435 for sales of goods for direct sales to consumers and sales to retailers. For sales of goods directly to consumers, via online sales, the consumer has the right to return goods within 30 days of the purchase date for any reason. For sales made to third party retailers, the Company will honor the retailers' return policy. The Company's third party retailer customers offer return policies from 30-90 days. Based on analysis performed by the Company, the estimated provision for sales returns as of December 31, 2015, June 30, 2015 and June 30, 2014 was $60,700, $89,360, and 6,366, respectively.

Fair Value Measurement

A number of assets and liabilities included in the Company's financial statements require measurement at, and/or disclosure of, fair value. IFRS 13, *Fair Value Measurements,* establishes a framework for measuring and disclosing fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value measurement of the Company's financial and non-financial assets and liabilities utilises market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorized into different levels based on how observable the inputs used in the value technique utilise are (the 'fair value hierarchy'):

Level Input	*Input Definition*
Level 1	Quoted prices in active markets for identical items (unadjusted)
Level 2	Observable direct or indirect inputs other than Level 1 inputs
Level 3	Unobservable inputs (i.e. not derived from market data)

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognised in the period they occur.

Income Taxes

The Company is subject to income tax and significant judgment is required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Company recognises tax liabilities based on estimates of whether additional taxes and interest will be due. These tax liabilities are recognised when, despite the Company's belief that its tax return positions are supportable, the Company believes that certain positions are likely to be challenged and may not be fully sustained upon review by tax authorities. The Company believes that its accruals for tax liabilities are adequate for all open audit years based on its assessment of many factors including past experience and interpretations of tax law. This assessment relies on estimates and assumptions and may involve a series of complex judgments about future events. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences will impact income tax expense in the period in which such determination is made.

4. Revenue

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Revenues	**$ 2,248,354**	$ 2,501,413	$ 1,531,470
Less: Sales discounts	**(12,219)**	(19,030)	-
Sales returns	**(60,700)**	(89,360)	(6,366)
Revenues, net	**$ 2,175,435**	$ 2,393,023	$ 1,525,104

Revenue from sales of goods is measured at the fair value of the consideration received or receivable, net of sales discounts and returns.

5. Expenses by Nature

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
(Loss)/Profit before income tax includes the following specific expenses:			
Cost of sales:			
Cost of products sold	**$ 707,000**	$ 1,160,583	$ 1,086,226
Distribution costs	**427,770**	223,371	227,952
Merchant account fees	**28,285**	26,202	44,272
Others	**20,115**	66	5,336
Total cost of sales	**$ 1,183,170**	$ 1,410,222	$ 1,363,786

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Finance expense:			
Interest expenses	**$ 47,936**	$ 109,048	$ 2,892
Bank service charges	**3,692**	548	9,488
Total finance expenses	**$ 51,628**	$ 109,596	$ 12,380

6. Employee Benefit Expenses

Employee benefit expenses consist of salaries and wages and related employer taxes paid to employees and key management personnel. Employee benefit expenses (including owners) comprise of:

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Wages and salaries	**$ 192,107**	$ 330,720	$ 166,004
Employer payroll taxes	**20,804**	11,851	12,700
Commissions	**4,614**	2,307	-
Subcontractor payments	**1,775**	5,076	15,224
Total employee benefit expenses	**$ 219,300**	$ 349,954	$ 193,928

Key Management Personnel Compensation

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including the owners of the Company and the financial Controller of the Company:

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Wages and salaries	**$ 69,130**	$ 55,800	$ 42,701
Employer payroll taxes	**5,288**	4,268	3,267
Total employee benefit expenses for key management personnel	**$ 74,418**	$ 60,068	$ 45,968

7. Tax Expenses

The components of the provision for income taxes are as follows for the six months ending December 31, 2015:

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Domestic			
Current Federal	**$ -**	$ -	$ -
Current State	**800**	1,600	-
Deferred Federal	**-**	-	-
Deferred State	**-**	-	-
Total provision	**$ 800**	$ 1,600	$ -

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Foreign			
Current	**$ -**	$ -	$ -
Deferred	**-**	-	-
Total provision	**$ -**	$ -	$ -

The components of income tax expense are as follows:

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Current tax expense	**$ 800**	$ 1,600	$ -
Prior year results	**-**	-	-
Total current tax expense	**$ 800**	$ 1,600	$ -

Taxes on income vary from the statutory federal income tax rate applied to earnings before tax income as follows:

Period Ended	December 31, 2015
Statutory U.S. federal income tax rate of 34% applied to earnings before income taxes and extraordinary items	$ (101,753)
State taxes – net of federal benefit	527
Meals and entertainment	650
Changes due to new loss carryforwards and other deferred tax assets not expected to be realised	101,376
Total provision	$ 800

Period Ended	December 31, 2015
Deferred tax asset	$ -
Deferred tax liability	-
Total net deferred tax asset and liability	$ -

Deferred tax assets are recognised for temporary differences, unused tax losses and unused tax credits to the extent that realisation of the related tax benefits is probable. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income in the countries where the deferred tax assets originated and during the periods when the deferred tax assets become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income, and tax planning strategies in making this assessment. Deferred income tax assets and liabilities arising from differences between accounting for financial statement purposes and tax purposes, are shown as the net realisable amount, at year end are as follows:

At December 31, 2015, the operating loss carryforwards of $186,839 expire in 2035. At December 31, 2015, the operating loss carryforwards for which no deferred tax asset has been recognised in the balance sheet totaled $186,839. At December 31, 2015, the amount of deductible temporary differences for which no deferred tax asset has been recognised in the balance sheet is $55,294. No material tax uncertainties have been identified as of December 31, 2015.

8. Current Assets – Inventories

Period and Years Ended		**December 31, 2015**		June 30, 2015		June 30, 2014
Finished goods – at cost	**$**	**530,548**	$	267,003	$	49,781
Less: Provision for slow-moving and obsolete		**-**		-		-
Inventories, net	**$**	**530,548**	$	267,003	$	49,781

9. Current Assets – Prepaid and Other Current Assets

Period and Years Ended		**December 31, 2015**		June 30, 2015		June 30, 2014
Prepaid expenses	**$**	**294,875**	$	18,000	$	11,200
Other current assets		**6,102**		9,601		-
Prepaid and other current assets, net	**$**	**300,977**	$	27,601	$	11,200

10. Current Assets – Trade and Other Receivables

Period and Years Ended		**December 31, 2015**		June 30, 2015		June 30, 2014
Trade receivables	**$**	**601,832**	$	194,525	$	3,786
Less: Provision of impairment receivables		**(15,316)**		(1,659)		-
Trade and other receivables, net	**$**	**586,516**	$	192,866	$	3,786

The ageing analysis of these receivables is as follows:

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Up to 30 days	**$ 523,241**	$ 187,311	$ 3,786
Up to 60 days	**33,179**	3,600	-
Up to 90 days	**30,096**	1,955	-
Over 90 days	**15,316**	1,659	-
Trade and other receivables, net	**$ 601,832**	$ 194,525	$ 3,786

Movements in the impairment allowance for trade receivables are as follows:

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Beginning balance	**$ 1,659**	$ -	$ -
Increase during the year	**15,316**	1,659	-
Receivable written off during the year as uncollectible	**(1,659)**	-	-
Ending balance	**$ 15,316**	$ 1,659	$ -

Past Due But Not Impaired

There were no customers with balances past due but without provision for impairment of receivables as of December 31, 2015 and June 30, 2015 and 2014, respectively.

The Company did not consider a credit risk on the aggregate balances after reviewing credit terms of customers based on recent collection practices.

11. Current Assets - Cash and Cash Equivalents

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Cash on hand	**$ 266**	$ 669	$ -
Cash at bank	**161,366**	91,708	57,451
Total cash and cash equivalents	**$ 161,632**	$ 92,377	$ 57,451

12. Non-Current Assets – Property and Equipment

Period and Years Ended	December 31, 2015	June 30, 2015	June 30, 2014
Software – at cost	**$ 12,144**	$ 4,867	$ -
Less: accumulated depreciation	**(2,229)**	(811)	-
Property and equipment, net	**$ 9,915**	$ 4,056	$ -

Reconciliations of the written down values at the beginning and end of the current and previous financial years are set out below:

	Software
Balance, June 30, 2014	$ -
Additions	4,867
Depreciation	(811)
Balance, June 30, 2015	4,056
Additions	7,277
Depreciation	(1,418)
Balance, December 31, 2015	$ 9,915

13. Short-Term Debt

On December 23, 2013, the Company entered into a loan agreement with Gemini Financial Corporation (“Gemini”) with a total principal amount of $92,254, the proceeds of which were primarily used to purchase inventory. The loan was secured by the cash receipts from 80% of revenue generated during the month of January 2014 and guaranteed by members of the Company. Interest accrued at a monthly rate of 2%. Borrowed amounts, including all accrued and unpaid interest, under the loan agreement were repaid prior to June 30, 2014.

On March 20, 2014, the Company entered into a $50,000 secured promissory note to pay Gemini on or before December 31, 2014 and guaranteed by members of the Company. The interest accrued daily on the outstanding principal amount at a rate of 10% per year. Borrowed amounts, including all accrued and unpaid interest under the note agreement, were repaid prior to June 30, 2015. Outstanding balances, including accrued and unpaid interest, related to the secured promissory note were $0 and $51,417 as of June 30, 2015 and 2014, respectively.

On March 20, 2014, the Company entered into a line of credit agreement with Gemini with a total available credit limit of $250,000. Interest on draws from the line of credit accrued interest at a rate of 3% per month. Principal and all unpaid accrued interest were payable within 150 calendar days of the draw date. The line of credit was secured by substantially all assets of the Company and guaranteed by members of the Company. Borrowed amounts, including all accrued and unpaid interest, under the note agreement were repaid prior to June 30, 2015. Outstanding balances, including accrued and unpaid interest, related to the secured line of credit were $0 and $180,774 as of June 30, 2015 and 2014, respectively.

On March 6, 2015, the Company entered into a $100,000 Phase 1 inventory financing agreement with the Penrose Corporation ("Penrose"). The loan was secured against the Company's inventory and accrued interest at an annual rate of 8.5%, which was deferred and compounded for 12 months. Principal and interest payments of $4,750 were scheduled for 24 months commencing on April 10, 2016. On April 30, 2015, the Company entered into Phase 2 financing agreement, which was represented by Loan #2 and Loan #3. Loan #2 of $100,000 was used to pay off existing lenders and was secured by 25% of the Company's accounts receivable and accrued interest at an annual rate of 12%. Principal and interest were due monthly. Loan #3 of $150,000 was used for general working capital purposes. Loan #3 was unsecured and accrued interest at an annual rate of 17%. Principal and interest payments were due monthly commencing on April 30, 2015. Outstanding balances related to the financing agreement with the Penrose, including all accrued and unpaid interest, were $0 and $348,264 as of December 31, 2015 and June 30, 2015, respectively.

On July 1, 2015, Robo 3D, Inc. was established and the Board of Directors of the corporation resolved to assign to Robo 3D, Inc. all of Robo 3D, LLC's assets in exchange for the corporation's assumption of all liabilities and obligations of Robo 3D, LLC. On July 1, 2015, the outstanding loan balances with the Penrose Corporation were converted into 700 shares of common stock of Robo 3D, Inc.

On June 11, 2015, the Company entered into a financing agreement with MYBUSINESSLOAN.COM, LLC. to obtain a secured line of credit of $180,000 at a variable interest rate of 15.99% plus the index rate set at the time of draw. The financing agreement is secured by the Company's inventory and guaranteed by members of the Company. Outstanding balances related to the financing agreement, including all accrued and unpaid interest, were $40,875 and $0 as of December 31, 2015 and June 30, 2015, respectively.

On September 20, 2015, the Company entered into a financing agreement with Albion 3D Investments PTY, LTD ("Albion") to obtain up to $2,500,000 in secured financing. The agreement was structured to accrue interest at 10% in the first and second month subsequent to the first draw down, and followed by 7%, 4% and 1% in the third, fourth and fifth months subsequent to the first draw down. Amounts borrowed under the financing agreement are due six months after the initial draw down, which occurred on September 27, 2015. Subsequent to December 31, 2015, the financing agreement was amended to extend the maturity date to August 31, 2016. As of December 31, 2015, funds drawn under the financing agreement totaled $1,250,000. Through the date of issuance of the financial statements, the Company received an additional $500,000 in financing under the secured financing agreement.

On November 24, 2015, the Company entered into a stock purchase agreement with Albion whereby the financing amount will be converted into up to 5,100 shares of the Company's common stock, assuming full funding of the $2,500,000 agreed to on September 20, 2015. The financing agreement is secured against substantially all assets of the Company. The outstanding contractual balance related to the financing agreement, including all accrued and unpaid interest, was $1,261,411 as of December 31, 2015. Consistent with IAS 32, the Company has determined that the option to convert the financed amount into fixed equity shares of the company is to be treated as an equity instrument. As such, the Company performed an analysis of the fair value of the debt balance using the discounted cash flow method assuming an incremental borrowing rate of the Company of 10%. The residual difference between the contractual obligation, including accrued interest outstanding, and the fair value of the debt balance is recorded to additional paid in capital. Total fair value of outstanding debt was $1,230,110 and the residual value of the financed amount was $38,612, which was recorded to additional paid in capital.

14. Current Liabilities - Trade and Other Payables

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Trade payables	**$ 315,381**	$ 250,346	$ 14,949
Credit card payable	**28,300**	8,815	12,525
Total financial liabilities, excluding loans and borrowings, measured at amortised cost	**343,681**	259,161	27,474
Accrued expenses	**142,667**	315,998	126,951
Sales tax payable	**8,508**	2,030	5,604
Trade and other payables, net	**$ 494,856**	$ 577,189	$ 160,029

15. Equity - Issued Capital

On July 1, 2015, the Company converted from a partnership into a C-Corp with a single class of common stock; which entitles the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid common shares have no par value. As of December 31, 2015, the Company had 10,000 shares authorised, issued and outstanding. Every shareholder present at a meeting in person or by proxy shall be entitled to one vote in proportion to the number of shares owned to the total issued and outstanding shares.

Shares authorized as of December 31, 2015	Number	Amount
Common shares, no par value	10,000	$ 350,808
Preferred shares	-	-
Redeemable shares	-	-
	10,000	$ 350,808

Shares issued and paid	Number		Amount
Balance, June 30, 2014	-	$	-
Shares issued	-		-
Shares redeemed	-		-
Balance, June 30, 2015	-		-
Shares issued	10,000		350,808
Shares redeemed	-		-
Balance, December 31, 2015	10,000	$	350,808

16. Financial Instruments

Financial Risk Management Objectives

The overall financial risk management strategy focuses on the unpredictability of the finance markets and seeks to minimise the potential adverse effects on financial performance and protect future financial security.

The Company's risk management framework is supported by the Board of Directors and management. The Board of Directors is responsible for approving and reviewing the group's risk management strategy and policy. Management is responsible for monitoring that appropriate processes and controls are in place to effectively and efficiently manage risk. Management is also responsible for identifying, monitoring and managing significant business risks faced by the Company and considering the effectiveness of its internal control system.

The Company has exposure to the following risks from their use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk
- Financial Instrument risk

The financial instruments used by the Company, from which financial instrument risk arise, are cash and cash equivalents, trade receivables, trade and other payables, and short-term borrowings.

Market Risk: Market risk arises from the Company's use of financial instruments, namely embedded conversion features related to the financing agreement with Albion 3D Investments PTY, LTD. The risk is that the fair value of the embedded conversion feature, which is based on future cash flows, discounted at the Company's incremental borrowing rate, is subject to fluctuations based on changes to market interest rates and other factors.

Credit Risk

Credit risk refers to the risk that counterparties will default on their contractual obligations resulting in financial loss to the Company. The maximum exposure of credit risk to the recognised financial assets at the reporting date is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Company does not hold any collateral.

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Carrying value of financial assets			
Cash and cash equivalents (Note 11)	**$ 161,632**	$ 92,377	$ 57,451
Trade and other receivables (Note 10)	**586,516**	192,866	3,786
	$ 748,148	$ 285,243	$ 61,237

Trade receivables are managed closely to ensure exposure to bad debts is minimised. Historically, based on records and industry experience, the average accounts receivable turnover is no longer than 30 days.

Liquidity Risk

Ultimate responsibility for liquidity risk management rests with the Shareholders. The Company manages liquidity risk by maintaining reserves and monitoring budgeted and actual cash flows and matching the maturity profiles of financial assets, expenditure commitments and liabilities.

The Company's negative working capital, losses from operations, negative cash flows from operating activities, and negative debt to equity ratio indicate the existence of a material uncertainty that may cast significant doubt about its ability to continue as a going concern, which contemplates the realisation of assets and the satisfaction of liabilities in the normal course of business. As of December 31, 2015, the Company had a net loss of $300,076, an accumulated deficit of $727,541, $161,632 in cash and cash equivalents, and $1,270,985 in short term debt outstanding. The Company does not have the ability to require Albion to convert its debt into equity.

Remaining Contractual Maturities

The following tables detail the Company's remaining contractual maturity for its financial liabilities.

	Weighted Average Interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
December 31, 2015						
Non-derivatives						
Non-interest bearing						
Trade payables (Note 14)	-	$ 343,681	$ -	$ -	$ -	$ 343,681
Other payables (Note 14)	-	151,175	-	-	-	151,175
	-	494,856	-	-	-	494,856
Interest bearing - variable						
Short-term debt (Note 13)	10.29%	1,302,286	-	-	-	1,302,286
Total non-derivatives	-	$ 1,797,142	$ -	$ -	$ -	$ 1,797,142
June 30, 2015						
Non-derivatives						
Non-interest bearing						
Trade payables (Note 14)	-	$ 259,161	$ -	$ -	$ -	$ 259,161
Other payables (Note 14)	-	318,028	-	-	-	318,028
	-	577,189	-	-	-	577,189
Interest bearing - variable						
Short-term debt (Note 13)	12.61%	348,264	-	-	-	348,264
Total non-derivatives	-	$ 925,453	$ -	$ -	$ -	$ 925,453
June 30, 2014						
Non-derivatives						
Non-interest bearing						
Trade payables (Note 14)	-	$ 27,474	$ -	$ -	$ -	$ 27,474
Other payables (Note 14)	-	132,555	-	-	-	132,555
	-	160,029	-	-	-	160,029
Interest bearing - variable						
Short-term debt (Note 13)	30.24%	232,191	-	-	-	232,191
Total non-derivatives	-	$ 392,220	$ -	$ -	$ -	$ 392,220

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Capital Disclosures

The Company monitors contributed capital, which comprises all components of equity, including share capital and accumulated deficit. The Company's objectives when maintaining capital are to safeguard the Company's assets and its ability to maintain as a going concern, as well as to provide an adequate return to shareholders. The Company will set the amount of capital it requires in proportion to market and economic risks and conditions.

The adjusted debt to capital at December 31, 2015 and June 30, 2015 and 2014 are as follows:

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Short-term debt	**$ 1,270,985**	$ 348,264	$ 230,774
Less: Cash and cash equivalents	**(161,632)**	(92,377)	(57,451)
Net Debt	**1,109,353**	255,887	173,323
Total Deficit	**$ (338,121)**	$ (419,963)	$ (483,515)

The Company continues to experience negative adjusted debt to equity ratios as the Company continues to incur losses from operations.

Fair Value of Financial Instruments

The following represents carrying amount and fair value amount of the Company's principal financial instruments:

	Financial assets at fair value through profit or loss			**Financial assets at amortised cost**		
Financial assets	**December 31, 2015**	June 30, 2015	June 30, 2014	**December 31, 2015**	June 30, 2015	June 30, 2014
Cash and cash equivalents	**$ -**	$ -	$ -	**$ 161,632**	$ 92,377	$ 57,451
Trade and other receivables	**-**	-	-	**586,516**	192,866	3,786
Total financial assets	**$ -**	$ -	$ -	**$ 748,148**	$ 285,243	$ 61,237

Financial liabilities	Financial liabilities at fair value through profit or loss			Financial liabilities at amortised cost		
	December 31, 2015	June 30, 2015	June 30, 2014	**December 31, 2015**	June 30, 2015	June 30, 2014
Trade and other payables	**$ -**	$ -	$ -	**$ 494,856**	$ 577,189	$ 160,029
Short-term borrowings	**-**	-	-	**1,270,985**	348,264	230,774
Total financial liabilities	**$ -**	$ -	$ -	**$ 1,765,841**	$ 925,453	$ 390,803

17. Contingent Liabilities and Capital Commitments

The Company leases an office building under a non-cancelable operating lease arrangement. Rent expense is recognised on a straight-line basis over the lease term. The operating lease provides for renewal options at stipulated rates and requires the Company to pay taxes, maintenance and insurance. Total rent expense for the six months ended December 31, 2015 and the years ended June 30, 2015 and 2014 was approximately $35,800, $45,281 and $24,055, respectively.

The future minimum annual lease commitments under the Company's non-cancelable operating lease at December 31, 2015 and June 30, 2015 and 2014 are as follows:

Period and Years Ended	**December 31, 2015**	June 30, 2015	June 30, 2014
Not later than one year	**$ 79,087**	$ 72,488	$ 24,426
Later than one year and not later than five years	**6,099**	42,693	59,701
Later than five years	**-**	-	-
Total lease commitments	**$ 85,186**	$ 115,181	$ 84,127

Legal Contingencies

From time to time, the Company may become involved in various investigations, claims and legal proceedings that arise in the ordinary course of business. These matters may relate to product liability, employment, intellectual property, tax, regulation, contracts or other matters. The resolution of these matters as they arise will be subject to various uncertainties and, even if such claims are without merit, could result in the expenditure of financial and managerial resources.

We intend to vigorously defend our interests in these matters. We expect that the resolution of these matters will not have a material adverse effect on our business, financial condition or results of operations. However, due to the uncertainties inherent in litigation, no assurance can be given as to the outcome of these proceedings.

18. Related Parties

Parties are considered to be related parties if one party has the ability to control the other party or exercise significant influence over the other party's making of financial or operational decisions, or if both parties are controlled by the same third party. During the year, the Company entered into the following transactions with related parties:

The Company obtained $200,000 in secured financing and an additional $150,000 in unsecured financing from the Penrose Corporation. The Company incurred $7,264 in interest expense and made a total of $9,000 in interest and principal payments as of June 30, 2015. The debt was converted into a 7% share in the Company as of July 1, 2015.

The Company incurred CFO consulting expenses, as well as tax preparation services from Class Advisors, which is wholly owned by Christopher Lamb, a minority shareholder in the Company. Total incurred expenses to Class Advisors were $36,292 and $5,000 for the six months ending December 31, 2015 and the year ending June 30, 2015, respectively. As of December 31, 2015 and June 30, 2015, the Company had outstanding accounts payable due to Class Advisors of $2,500 and $0, respectively.

The Company incurred consulting and accounting expenses from Crowd & Company, which is wholly owned by Daniel Koziol, the current Chief Executive Officer of the Company. Total payments to Crowd & Company were $258,243 and $0 for the six months ending December 31, 2015 and the year ending June 30, 2015, respectively. The Company had no outstanding payables to Crowd & Company as of December 31, 2015 and June 30, 2015.

The Company incurred freight and warehousing services from WorldTrans Co., whose primary shareholder is Daniel Koziol, the current Chief Executive Officer of the Company. Total payments to WorldTrans Co. were $360,140 for the six months ending December 31, 2015. The Company had outstanding payables to WorldTrans Co. of $27,929 as of December 31, 2015.

The following represents the total transaction amounts and balances owed to related parties:

Related party relationship	Type of transaction	For the period ending December 31, 2015 Transaction Amount	Balance Owed
Shareholder	Payment on line of credit	$ 349,878	$ -
Companies in which shareholders or their immediate family have a significant controlling interest	Consulting services	$ 36,292	$ 2,500
Companies in which directors or their immediate family have a significant controlling interest	Consulting services	$ 258,243	$ -
Companies in which directors or their immediate family have a significant controlling interest	Freight and warehousing services	$ 360,140	$ 27,929

Related party relationship	Type of transaction	For the period ending June 30, 2015 Transaction Amount	Balance Owed
Shareholder	Issuance of line of credit	$ 350,000	$ 348,264
Companies in which shareholders or their immediate family have a significant controlling interest	Consulting services	$ 5,000	$ -
Companies in which directors or their immediate family have a significant controlling interest	Consulting services	$ -	$ -

		For the period ending June 30, 2014	
Related party relationship	**Type of transaction**	**Transaction Amount**	**Balance Owed**
Companies in which shareholders or their immediate family have a significant controlling interest	Consulting services	$ -	$ -
Companies in which directors or their immediate family have a significant controlling interest	Consulting services	$ -	$ -

The Company does not have any receivables or made an allowance for bad or doubtful debts from related parties.

Details of directors' remuneration are presented in Note 6.

19. Non-Cash Transactions

On June 30, 2015, the Company had outstanding contractual debt balance of $350,602 due to the Penrose Corporation. In full satisfaction of the outstanding contractual debt obligation, the Company exchanged 700 shares of its no par common stock on July 1, 2015. As of December 31, 2015, amounts owed to the Penrose Corporation were $0.

20. Events After the Reporting Period

No matter or circumstance has arisen since August 3, 2016 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.