To	COMPANY ANNOUNCEMENTS
Company	ASX
Date	27 February 2019
From	Paul Wylie
Subject:	**APPENDIX 4D**

BY ELECTRONIC LODGEMENT

Please see attached for Beyond International Limited (ASX-BYI) for the 6 months ended 31 December 2018:

(a) Appendix 4D – Half Yearly Report to 31 December 2018
(b) Review of Operations
(c) Directors Report
(d) Financial Statements including Auditors Review Report

The functional currency is Australian dollars.

Rules 4.1, 4.3

Appendix 4D

Half Yearly Report

Introduced 1/1/2003.

Name of Entity	Beyond International Limited
ACN	003 174 409
Half Year Interim Financial Report	31 DECEMBER 2018
Previous Corresponding Reporting Period	31 DECEMBER 2017

Results for Announcement to the Market

	$000's	**Percentage increase /(decrease) over previous corresponding period**
Revenues from ordinary activities	48,273	Up 6.4%
Loss from ordinary activities after tax attributable to members	(382)	N/A
Net Loss for the period attributable to members	(382)	N/A

Dividends (distributions)	**Amount per security**	**Franked amount per security**
Final Dividend	Nil	N/A
Interim Dividend	Nil	N/A
Previous corresponding period	Nil	N/A
Record date for determining entitlements to the dividends (if any)	N/A	

Brief explanation of any of the figures reported above necessary to enable the figures to be understood:

Refer attached release cover sheet

The half-yearly report is to be read in conjunction with the most recent annual financial report.

Dividends

Date the dividend is payable	N/A
Record date to determine entitlement to the dividend	N/A
Amount per security	N/A
Total dividend	N/A
Amount per security of foreign sourced dividend or distribution	N/A
Details of any dividend reinvestment plans in operation	N/A
The last date for receipt of an election notice for participation in any dividend reinvestment plans	N/A

NTA Backing

	Current Period	**Previous corresponding period**
Net tangible asset per security	$0.42	$0.46

Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	N/A
Date control gained	N/A
Consolidated profit from ordinary activities since the date in the current period on which control was acquired	N/A
Profit from ordinary activities of the controlled entity (or group of entities) for the whole of the previous corresponding period	N/A

Loss of Control Gained Over Entities Having Material Effect

Name of entity (or group of entities)	N/A
Date control lost	N/A
Consolidated profit / (loss) from ordinary activities for the current period to the date of loss of control	N/A
Profit / (loss) from ordinary activities of the controlled entity (or group of entities) while controlled for the whole of the previous corresponding period	N/A

Details of Associates and Joint Venture Entities

Name of Entity	Percentage Held		Share of Net Profit/(Loss)	
	Current Period	**Previous Period**	**Current Period**	**Previous Period**
7Beyond Media Rights Ltd	50%	50%	$495k	$87k
Aggregate Share of Net Profits/(Losses)			$495k	$87k
Melodia Limited	33.33%	33.33%	$-	$-
Melodia (Australia) Pty Ltd	33.33%	33.33%	$-	$-
GB Media, Inc	10%	10%	$-	$-

Audit/Review Status

This report is based on accounts to which one of the following applies: (Tick one)			
The accounts have been audited		The accounts have been subject to review	✓
The accounts are in the process of being audited or subject to review		The accounts have not yet been audited or reviewed	

If the accounts have not yet been audited or subject to review and are likely to be subject to dispute or qualification, a description of the likely dispute or qualification:

N/A

If the accounts have been audited or subject to review and are subject to dispute or qualification, a description of the dispute or qualification:

N/A

Attachments Forming Part of Appendix 4D

Attachment #	Details
1	ASX Announcement
2	Interim Financial Report

Signed By (Director/Company Secretary)	Paul Wylie
Print Name	Paul Wylie
Date	27 February 2019

BEYOND INTERNATIONAL LIMITED
PROFIT AND LOSS FOR THE SIX MONTHS TO DECEMBER 31 2018

	SIX MONTHS TO DECEMBER 2018 $,000	SIX MONTHS TO DECEMBER 2017 $,000	Variance - Fav/(Unfav) $,000	%
Operating Revenue	48,273	45,386	2,887	6.4%
Expenses	(45,199)	(40,296)	(4,903)	(12.2%)
EBITDA	**3,074**	**5,090**	**(2,016)**	**(39.6%)**
Depreciation and Amortisation	(2,915)	(2,620)	(295)	(11.3%)
EBIT	**159**	**2,470**	**(2,311)**	**(93.6%)**
Net Interest Expense	(381)	(144)	(237)	(164.6%)
(Loss)/Profit Before Tax	**(222)**	**2,326**	**(2,548)**	**NMF**
Tax Expense	(100)	(1,273)	1,173	92.1%
(Loss)/Profit After Tax	**(322)**	**1,053**	**(1,375)**	**NMF**
Minority Interests	**(60)**	410	(470)	(114.6%)
(Loss)/Profit After Tax attributable to members	**(382)**	**1,463**	**(1,845)**	**NMF**

Additional Information				
EPS (cents per share)	**(0.62)**	**2.39**	**(3.01)**	**NMF**
Dividends per Share (cents)	-	-	-	-
NTA (cents per share)	**41.97**	**46.19**	**(4.2)**	**(9.1%)**

NMF – Not a meaningful figure

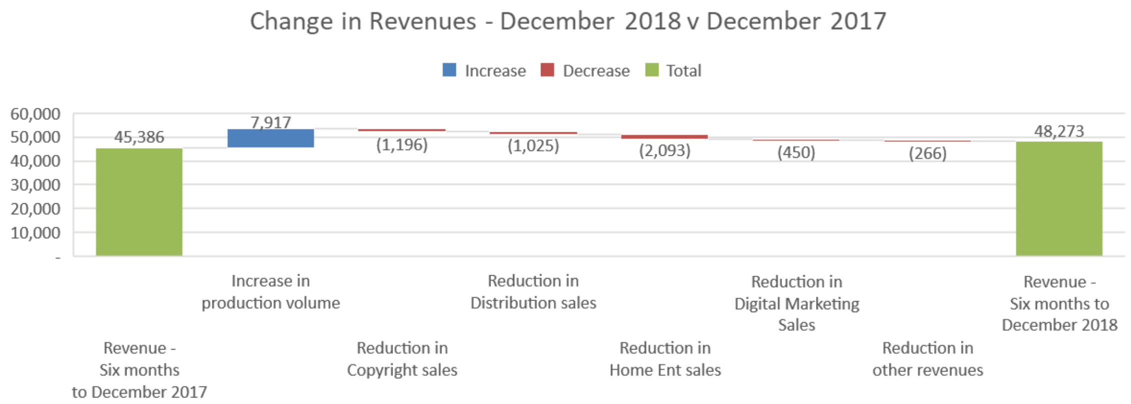
FINANCIAL PERFORMANCE FOR THE SIX MONTHS TO 31ST DECEMBER 2018 COMPARED TO THE PRIOR CORRESPONDING PERIOD

- Operating Revenue for the six months increased by 6.4% to $48,273,000;
- Operating expenses have increased by 12.2% to $45,199,000;
- A positive EBITDA of $3,074,000, $2,016,000 less than the corresponding period last year;
- A positive EBIT for the period of $159,000, $2,311,000 less than the corresponding period last year;
- The Company reported a net loss of $382,000 after tax and minority interests compared to a profit of $1,463,000 over the corresponding period last year;
- Net cash flows from operating activities for the six months was $2,623,000. This compares favourably to the prior corresponding period which saw negative cash from operations of $1,402,000. Note that operating cash flows to December 2018 no longer include operating lease payments of $811,000 which have been treated as financing activity under AASB 16;

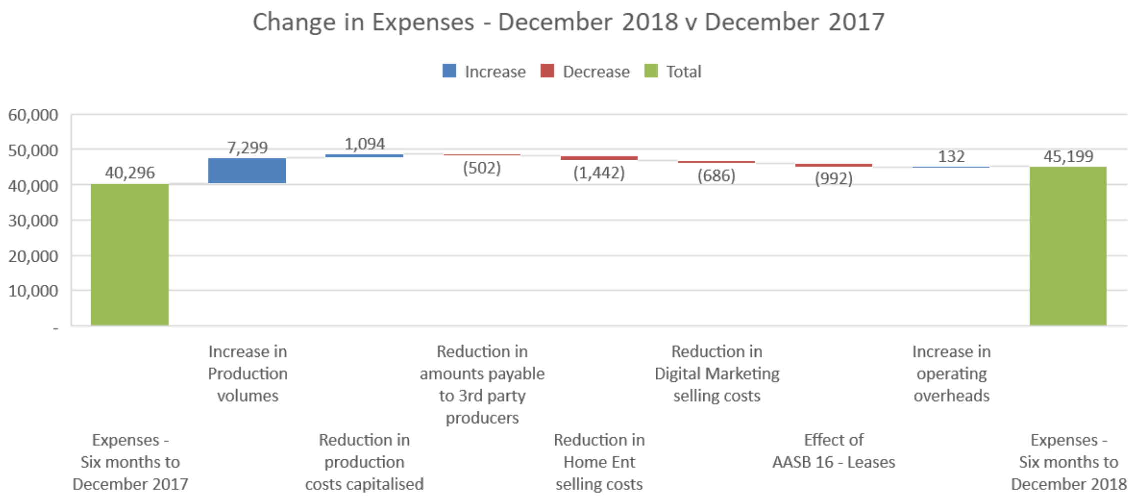
- After investing in new distribution advances for programming supplied by third party producers, production development, lease payments and repayment of borrowings, net cash decreased by $210,000 to $7,047,000 from 30 June 2018 to 31 December 2018;
- The Company has a line of credit facility of $6,000,000 with St George Bank with a balance drawn of $1,186,000 at 31 December 2018. Subsequent to the reporting date the facility has been fully repaid.

REVIEW OF OPERATIONS FOR THE 6 MONTH PERIOD TO 31 DECEMBER 2018

Revenues increased by $2,887,000 or 6.4% to that reported for the prior corresponding period. Movement in revenues are tabled below:



Operating Expenses increased by $4,903,000 or 12.2% compared to the period ending 31 December 2017. The causes of this are tabled below:



Further explanation in relation to movement in revenues and expenses is included in the commentary on each operating business later in this report.

Consolidated EBITDA for the six months to 31 December 2018 was $3,074,000 compared with EBITDA of $5,090,000 for the corresponding period ended 31 December 2017.

Consolidated EBIT reported for the six months to 31 December 2018 was $159,000 compared with EBIT of $2,470,000 for the six months to 31 December 2017.

Trading has been impacted by lower sales of internally produced programming in the six months to 31 December 2018 compared to the corresponding period last year. This has impacted both Copyright and Distribution, with Copyright revenues down $1,196,000 and Distribution revenues down by $1,025,000. The result for Copyright is further impacted by the delays in commissioning a new season of Mythbusters. In the prior corresponding period, a percentage of the costs of producing Mythbusters 11 were capitalised to be amortised against future Distribution revenues. This has not occurred in the current six month period.

In addition, the margin on programme production reduced from 13% to 9% in the current financial year. This was due to lower margins on programmes produced for 7Beyond.

Depreciation and amortisation increased partly as a result of the adoption of AASB 16 – Leases, with $956,000 recognised in the half year, offset by a reduction in amortisation of capitalised production costs.

Interest expense increased as a result of the implementation of AASB 16 – Leases. The expense recognised in the six months to 31 December 2018 was $263,000.

Tax expense reduced due to lower profitability in Ireland resulting from the lower Distribution and Copyright sales.

Cash flows from operating activities for the period were $2,623,000. This compares to the previous corresponding six-month period which saw cash outflows from operating activities of $1,402,000. Operational cash flow in the current period has been impacted by the treatment of leases under AASB 16. Cash payments relating to leases of $811,000 are now classified as cash flows from financing activities. Ignoring the change in accounting standard, cash flow from operating activities was $1,812,000.

After investing in new distribution advances to secure programming from third party producers, production development, lease payments and repayment of borrowings, net cash decreased by $210,000 to $7,047,000 from 30 June 2018 to 31 December 2018.

No dividend has been proposed or paid during the period ended 31 December 2018.

During the six months, the Group’s four operating segments and subsidiaries had mixed trading results. Following is an analysis of the performance of those segments and subsidiaries.

REVIEW OF OPERATIONS BY SEGMENT FOR THE 6 MONTH PERIOD TO 31 DECEMBER 2018

	31 Dec 2018 $,000	31 Dec 2017 $,000	Variance $,000	Variance %
Revenue				
Productions & Copyright	27,835	21,114	6,721	31.8%
Distribution	10,167	11,192	(1,025)	(9.2%)
Home Entertainment	5,266	7,359	(2,093)	(28.4%)
Digital Marketing	4,641	5,091	(450)	(8.8%)
Other Revenue	364	630	(266)	(42.2%)
Total Revenue	**48,273**	**45,386**	**2,887**	**6.4%**
Operating EBITDA:				
Productions & Copyright	2,609	5,142	(2,533)	(49.3%)
Distribution	(22)	1,141	(1,163)	NMF
Home Entertainment	1,137	1,624	(487)	(30.0%)
Digital Marketing	546	174	372	213.8%
Corporate	(2,062)	(2,721)	659	24.2%
7Beyond Joint Venture	495	87	408	469.0%
Foreign Exchange (Loss) / Gain	371	(357)	728	NMF
Operating EBITDA	**3,074**	**5,090**	**(2,016)**	**(39.6%)**
Operating EBIT:				
Productions & Copyright	1,985	4,242	(2,257)	(53.2%)
Distribution	(158)	1,053	(1,211)	NMF
Home Entertainment	(233)	219	(452)	NMF
Digital Marketing	409	113	296	261.9%
Corporate	(2,710)	(2,887)	177	6.1%
7Beyond Joint Venture	495	87	408	469.0%
Foreign Exchange (Loss) / Gain	371	(357)	728	NMF
Operating EBIT	**159**	**2,470**	**(2,311)**	**(93.5%)**

NMF – Not a meaningful figure

1. Television Productions and Copyright

Segment revenue increased by $6,721,000 to $27,835,000 (31.8%) compared to the prior corresponding six-month period. Production revenues increased by $7,919,000, however Copyright revenues reduced by $1,196,000 compared to the prior corresponding period.

Production revenue growth was a result of the higher number of programs in production in the six months to 31 December 2018 compared to the prior corresponding period. More detail on the projects in production is tabled below.

US broadcast commissions during the period include *Deadly Women* series 12 for Investigation Discovery, *Mythbusters Junior* with original host Adam Savage for Discovery Science and a high end documentary project for a major international social media platform. Beat Bugs season 3 and Motown Magic season 1 were delivered to Netflix during the period and commenced streaming worldwide in November 2018.

Australian commissioned programmes in production during the six months to 31 December 2018 include season 12 of *Selling Houses Australia,* a second series of *Love It Or List It Australia* for Foxtel, Dumbotz for the Nine Network, and *Backburning*, a documentary on Midnight Oil, for the ABC. New commissions for Australian broadcasters are a third series of *Love It Or List It Australia* and the Gfinity Elite Series, part of a growing eSport franchise in Australia.

The reduction in Copyright revenues was due to the December 2017 period including significant sales of completed series of Deadly Women and Mythbusters by Beyond Distribution which was not repeated in the December 2018 half. Copyright was also impacted by the delays in the commissioning of season 12 of Mythbusters. In the prior corresponding period, a percentage of the costs of producing Mythbusters 11 were capitalised to be amortised against future Distribution revenues. This has not occurred in the current six month period.

This resulted in a segment EBITDA of $2,609,000 (2017: $5,142,000) and EBIT of $1,985,000 (2017: $4,242,000) – a reduction of 53.2% over the previous corresponding period. Excluding Copyright, Production EBIT declined by $371,000 or 25%. The decline in Production EBIT is due to lower margins earned by Beyond on titles produced for 7Beyond, with the JV retaining the majority of production company fees.

The result for 7Beyond improved to a profit of $990,000 against a corresponding prior year profit of $174,000. 7Beyond benefitted from an uplift in production and the ability to claim post production tax rebates for My Lottery Dream Home. Beyond's share of the equity accounted profits was $495,000 for the current year and $87,000 for the prior corresponding period.

The 7Beyond joint venture had *My Dream Lottery Home* commissioned for a further four seasons bringing the total to eight. Food Network commissioned *Holiday Gingerbread Showdown* and *Sweet Victory* during the current six month period.

<u>2. Distribution TV and Film</u>

Revenue decreased by $1,025,000 or 9.2% to $10,167,000 compared to the corresponding six-month period last year.

The decline in revenues was mainly due to the December 2017 period including significant sales of Deadly Women and Mythbusters which was not repeated in the December 2018 half. As a result, the contribution of product sourced from third party producers increased to 75% compared to 67% for the corresponding period last year with sales of internally produced product decreasing from 33% to 25%.

The decline in revenues reduces the amount payable to third party producers, reducing the cost of sales as a result.

EBITDA for the six months to 31 December 2018 was negative $22,000, comparing unfavourably to the positive prior corresponding period of $1,141,000.

Period EBIT fell to a loss of $158,000 compared to a profit of $1,053,000 in the corresponding period in 2017.

The decline in EBITDA and EBIT was mainly a result of the reduction in sales, lower gross margins due to the lower level of internally produced programmes (which carry a higher commission rate than third party produced programmes) and higher overheads due to the timing of staff replacements and the impact of a lower Australian dollar across the current six month period.

Total sales for programs produced by the Group in the current reporting period was $2,071,000 compared to $3,623,000 in the prior year. While Mythbusters and Deadly Women continued to sell well, the six months to December 2017 benefitted from the release of new series of Mythbusters and the resale of the Deadly Women franchise after the expiry of previous licences to Discovery. Wow! That's Amazing also delivered good sales in the period.

Successful programs acquired from third parties continue to include *Highway Thru Hell*, *Love It or List It, Heavy Rescue* and *Chasing Monsters*.

The rights to third party programs are primarily acquired by our executives based in the United Kingdom and Ireland from independent producers based in the US, UK and Canada.

Product focus continues to be factual series, documentaries, family and children's programs as there is a steady demand for these genres from niche broadcasters throughout the world.

3. Home Entertainment Subsidiary (BHE)

Revenue in the subsidiary declined by 28.4% to $5,266,000 (2017: $7,359,000) compared to the corresponding six-month period.

The decline was partially due to the content supply agreement with Discovery Communications coming to an end, which was a substantial provider of home entertainment content to BHE, coupled with the decline in the physical direct to home media market in Australia.

The decline in revenues results in a lower cost of sales for the period compared to the corresponding period last year.

The subsidiary reported an operating loss of $233,000 (2017: profit of $219,000). EBITDA for the division was $1,137,000 (2017: $1,624,000). Total depreciation and amortisation for the six months to 31 December 2018 was $1,370,000 compared to $1,405,000 for the prior corresponding six month period.

The Australian Home Entertainment market continues to decline, with GfK market data indicating that the physical media market recorded a 20% decline for the six months ended 31 December 2018.

For the 1st Half of Fiscal 2019, Beyond was the number one distributor in Sport (market share 71%) and Documentary content (market share 33%). Beyond was also the number two distributor in Factual Television (market share 30%) and the number four distributor in Children's content (market share 13%).

BHE has secured the physical direct to home rights to the AFL, NRL, Pokemon and the A & E catalogue.

4. Digital Marketing Subsidiary

In the six months to 31 December 2018 Beyond D revenues were $4,641,000, 8.8% down on the previous corresponding period of $5,091,000. The reduction in sales results in a corresponding reduction in cost of sales.

EBITDA for the six months to 31 December 2018 was $546,000 compared to $174,000 for the prior corresponding period. The segment profit for the 6 months improved to $409,000 against a profit of $113,000 for the corresponding period in 2017.

The decline in revenues is due to the business shifting its focus from low margin on-line advertising, with an emphasis more on servicing client needs in relation to voice activated search.

The 6 months saw a continued deepening in the level of the company's expertise in voice activated search in general, and in the 3rd party Google Assistant space in particular. This focus led to the production of large scale 3rd party assistants for Kmart (a Christmas gift assistant), Suncorp (a full data driven assistant for their customer loyalty program) and Finder (a full credit card comparison Google assistant).

The company maintained its market leading position in the AI Voice space not only locally but also on the international stage, particularly the USA.

In addition to the new voice AI, the company continues to be the leader in search and conversion consulting in the New Zealand market. Adding to this has been a strengthening of the company's data analysis capabilities in the New Zealand office which has seen deeper engagements with existing clients (Foodstuffs) and new engagements with larger clients (NZ Post and Restaurant Brands).

Complementing the new areas of business has been a continued consistent level of quality large scale digital asset production for its existing client base in Australia especially the Dymocks Group of companies, Bank of Queensland, Laser Sight and Blue Mountains City Council.

5. Corporate

Corporate costs reduced by 6.1% or $177,000 against the prior reporting period. Note that depreciation and amortisation increased by $491,000 within corporate as a result of adopting AASB 16 – Leases.

FOREIGN EXCHANGE – IMPACT ON RESULTS

There continued to be volatility in the currency markets during the reporting period, with the Australian dollar ranging from a high of $0.7467 to a low of $0.7034 against the US dollar. This volatility is reflected in the different business segments in the 2017 and 2018 reporting periods that have international exposure.

The total foreign exchange gain for the six-month period is $371,453 (2016: loss $356,572). This gain is allocated to the operating segments as follows:

		Dec-18	Dec-17	Movement	
Item	Segment	$	$	$	%
Realised gain / (loss)	Distribution / TV	-	(26,284)	26,284	100%
Unrealised gain / (loss)	Distribution / TV	28,594	(26,802)	55,396	207%
Realised gain / (loss)	Production	-	33,144	(33,144)	100%
Unrealised (loss)/gain	Production	(11,948)	(33,543)	21,595	64%
Realised gain / (loss)	Other	7,523	(19,024)	26,547	140%
Unrealised gain / (loss)	Other	347,284	(284,063)	631,347	222%
Total FX Gain/(loss)		371,453	(356,572)	728,025	(204%)

* The Australian dollar expense component of US dollar denominated production contracts are hedged when the contracts are entered.

DIVIDEND

The Directors have decided to not declare any Dividend during the period. It is expected that depending on the full year result, Directors will consider a final dividend be paid in November 2019.

OUTLOOK TO 30 JUNE 2019

Beyond’s strategic outlook continues to focus on the development of programming in its strong genres of factual series, documentaries, family and children’s programs, while also actively increasing its presence in the market for world quality drama programming.

The Company has a wide and varied production development slate, from which it is expected a number of new programmes will commence production during the second half. Any delays in the commissioning process however will push earnings from these projects into the new financial year and may adversely affect earnings in the second half.

The Company sees an expansion of its relationship with external program creators and producers important in enabling the Company to secure more product for international licensing to multiple platforms. As an acquirer of globally attractive content, Beyond continues to compete with major international distributors for this content.

It is also pleasing that the digital marketing subsidiary delivered an improved result compared to the prior corresponding period. The positive performance of the digital business is expected to continue through the second half of the 2019 financial year.

The declining home entertainment market will continue to provide challenges for the BHE subsidiary. As a result, the subsidiary continues to aggressively amortise licensor advances and is unlikely to return to profitability in the current financial year.

The Company is operating in the international market place as a media producer and distributor and the demand for quality content in the market is increasing. The fact that the Company has a track record of delivering quality content to international customers and has successfully operated both production and distribution operations in the EU, UK and the Americas for over 30 years positions it well for future growth in an expanding market.

Mikael Borglund
CEO & Managing Director
27 February 2019

ABOUT BEYOND

Beyond International Limited (ASX:BYI) is a leading international producer and distributor of television and digital content and is one of the largest independent distributors of home entertainment product in Australia. The Company is headquartered in Sydney and listed on the Australian Securities Exchange.

Beyond has produced over five thousand hours of television programs for broadcast internationally including Mythbusters, Taboo, Selling Houses Australia, Deadly Women and Facing Evil. The company has production offices in Sydney, San Francisco and Los Angeles and produces programs for Australian, US and International broadcasters.

Beyond's international distribution business markets an extensive program catalogue sourced from third party producers and internal production. This business unit is headquartered in Dublin, with sale offices in London and Sydney.

The Home Entertainment operation focuses on digital and DVD distribution and has an extensive catalogue of product, which is distributed throughout Australia and New Zealand.

The Digital Marketing business performs online search optimisation, website creation, development and performance and online media sales within Australia and New Zealand.

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This announcement is made pursuant to Listing Rule 4.1 & 3.1.

All enquiries should be directed to:
Mr Mikael Borglund. Managing Director, Beyond International Limited
Telephone 02 9437 2000 or email investor_relations@beyond.com.au

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated entity for the half-year ended 31 December 2018.

Directors

The names of directors who held office during or since the end of the half-year:

Ian Ingram – Non-Executive Chairman
Mikael Borglund – Managing Director
Ian Robertson – Non-Executive Director
Anthony Lee – Non-Executive Director

Review of Operations

Revenue for the six months increased by 6.4% to $48,273,000.

An EBIT of $159,000 was delivered for the six months compared to EBIT of $2,470,000 in the corresponding reporting period last year. After a tax expense in the current period of $100,000 and minority interests of $60,000, the net loss after tax and minority interests was $382,000 compared to a net profit after tax in the corresponding period last year of $1,463,000.

Earnings per share were negative at 0.62 cents compared to a positive 2.39 cents last year.

Net cash flows from operating activities improved by $4,025,000 to $2,623,000 compared to the previous corresponding period. Operational cash flow in the current period has been impacted by the treatment of leases under AASB 16 Leases. Cash payments relating to leases of $811,000 are now classified as cash flows from financing activities. Ignoring the change in accounting standard, cash flow from operating activities was $1,812,000.

After investing in new 3rd party distribution advances, production development, lease payments and loan repayments, net cash decreased by $210,000 to $7,047,000 from 30 June 2018 to 31 December 2018.

The Company has a line of credit facility for $6,000,000 with St. George Bank and $1,185,000 of this has been utilised to fund investment in programme production that attracts the producer offset and post, digital and visual effects offset. Note that subsequent to the reporting period, the facility has been repaid.

Television Production and Copyright

Television production and Copyright revenue increased by $6,721,000 compared to the prior corresponding period. This included a reduction in Copyright income of $1,196,000 compared to the corresponding six-month period.

EBIT for the segment is $1,985,000 compared to EBIT of $4,242,000 in 2017.

TV and Film Distribution (Beyond Distribution)

Revenue has decreased by 9.2% to $10,167,000 compared to the corresponding period to December 2017.

The operating loss for the segment is $158,000 compared to a positive EBIT of $1,053,000 in 2017.

Home Entertainment Subsidiary (BHE)

BHE operating revenue decreased by 28.4% to $5,266,000 compared to the corresponding six-month period. EBITDA was $1,137,000 for the six months compared to $1,624,000 for the six months to 31 December 2017. EBIT was a loss of $233,000 compared to a profit of $219,000 for the corresponding period last year.

Digital Marketing Subsidiary (Beyond D)

Revenue has decreased by $450,000, or 8.8%, to $4,641,000 compared to $5,091,000 in 2017.

The segment reported an EBIT profit of $409,000, nearly three times the EBIT of $113,000 reported for the corresponding period last year.

Dividends

The Directors have decided not to declare any Interim Dividend.

Rounding of Amounts

The amounts contained in this report have been rounded to the nearest $1,000 (where rounding is applicable) under the option available to the Company under ASIC Corporations (Rounding in the Financial/Director's Reports) Instruments 2016/191. The Company is an entity which the Legislative Instrument applies.

Auditors

We have received a declaration from the auditor, BDO, of their independence, which is attached as the third page of this Directors' Report.

The report is signed in accordance with a resolution of the Board of Directors.

Mikael Borglund
CEO & Managing Director

Dated: 27 February 2019

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Level 11, 1 Margaret St
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY MARTIN COYLE TO THE DIRECTORS OF BEYOND INTERNATIONAL LIMITED

As lead auditor for the review of Beyond International Limited for the half-year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been:

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

This declaration is in respect of Beyond International Limited and the entities it controlled during the half-year period.

Martin Coyle
Partner

BDO East Coast Partnership

Sydney, 27 February 2019

BEYOND INTERNATIONAL LIMITED AND ITS CONTROLLED ENTITIES
ABN 65 003 174 409
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2018

	Consolidated Entity	
	31 Dec 2018 $000's	**31 Dec 2017 $000's**
Revenue from continuing operations	**48,273**	45,386
Other income	**491**	106
Share of profits of joint ventures accounted for using the equity method	**495**	87
Royalty expense	**6,736**	5,920
Production costs	**24,127**	15,981
Home entertainment direct costs	**3,041**	5,589
Digital marketing direct costs	**2,893**	3,579
Administration costs	**1,978**	2,979
Employee benefits expense	**7,258**	7,079
Finance costs	**396**	156
Provisions	**137**	309
Depreciation and amortisation expense	**2,915**	1,304
Net foreign exchange loss	**-**	357
(Loss)/profit before income tax	**(222)**	2,326
Income tax expense	**(100)**	(1,273)
(Loss)/profit after income tax for the period	**(322)**	1,053
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss:		
Foreign currency translation	6	-
Other comprehensive income for the period, net of tax	**6**	-
Total comprehensive income for the period	**(316)**	1,053
(Loss)/profit is attributable to:		
Owners of Beyond International Limited	**(382)**	1,463
Non-controlling interest	**60**	(410)
	(322)	1,053
Total comprehensive income for the period is attributable to:		
Owners of Beyond International Limited	**(376)**	1,463
Non-controlling interest	**60**	(410)
	(316)	1,053
Earnings per share attributable to the owners of Beyond International Limited	**Cents**	Cents
Basic and diluted (loss)/earnings per share	**(0.62)**	2.39
Dividends per share	**-**	-

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

BEYOND INTERNATIONAL LIMITED AND ITS CONTROLLED ENTITIES
ABN 65 003 174 409
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	Consolidated Entity	
		31 Dec 2018	30 Jun 2018
		$000's	$000's
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		**7,047**	7,256
Trade and other receivables		**27,358**	27,780
Current tax receivables		**456**	62
Inventories		**3,172**	2,943
Other current assets	4	**13,713**	13,073
TOTAL CURRENT ASSETS		**51,746**	51,114
NON-CURRENT ASSETS			
Trade and other receivables		**2,477**	1,835
Investments accounted for using the equity method		**983**	414
Property plant and equipment		**1,793**	2,048
Right-of-use asset	2	**6,548**	-
Intangible assets	6	**4,750**	4,750
Deferred tax assets		**208**	89
Other non-current assets	4	**7,856**	7,867
TOTAL NON-CURRENT ASSETS		**24,615**	17,003
TOTAL ASSETS		**76,361**	68,117
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		**7,048**	6,414
Financial liabilities	5	**68**	161
Employee benefits		**3,749**	3,691
Current tax liabilities		**234**	187
Other financial liabilities		**2,519**	2,399
Lease liability	2	**1,448**	-
Other current liabilities	7	**22,170**	20,171
Borrowings		**1,445**	1,837
TOTAL CURRENT LIABILITIES		**38,681**	34,860
NON-CURRENT LIABILITIES			
Deferred tax liabilities		**1,424**	1,364
Employee benefits		**209**	218
Other financial liabilities		**-**	600
Lease liability	2	**5,383**	-
Other non-current liabilities	7	**173**	155
TOTAL NON-CURRENT LIABILITIES		**7,190**	2,337
TOTAL LIABILITIES		**45,871**	37,197
NET ASSETS		**30,491**	30,919
EQUITY			
Issued capital		**34,018**	34,018
Reserves		**337**	331
Accumulated losses		**(3,590)**	(3,095)
Non-controlling interests		**(274)**	(334)
TOTAL EQUITY		**30,491**	30,919

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

BEYOND INTERNATIONAL LIMITED AND ITS CONTROLLED ENTITIES
ABN 65 003 174 409
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2018

	Issued capital	Reserves	Accumulated losses	Total	Non-controlling interests	Total equity
	$000's	$000's	$000's	$000's	$000's	$000's
Balance at 01 July 2018 (Reported)	**34,018**	**331**	**(3,095)**	**31,253**	**(334)**	**30,919**
Adjustment on initial application of AASB 16, net of tax	**-**	**-**	**(112)**	**(112)**	**-**	**(112)**
Balance at 01 July 2018 (Restated)	**34,018**	**331**	**(3,208)**	**31,141**	**(334)**	**30,807**
Loss for the period	**-**	**-**	**(382)**	**(382)**	**60**	**(322)**
Other comprehensive income for the period, net of tax	**-**	**6**	**-**	**6**	**-**	**6**
Total comprehensive income for the period	**-**	**6**	**(382)**	**(375)**	**60**	**(316)**
Transactions with owners in their capacity as owners:						
Dividends paid or provided for	**-**	**-**	**-**	**-**	**-**	**-**
Employee share plan	**-**	**-**	**-**	**-**	**-**	**-**
Balance at 31 December 2018	**34,018**	**337**	**(3,590)**	**30,765**	**(274)**	**30,491**
Balance at 01 July 2017	34,018	269	(2,333)	31,953	132	32,085
Profit for the period	-	-	1,463	1,463	(410)	1,053
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	1,463	1,463	(410)	1,053
Transactions with owners in their capacity as owners:						
Dividends paid or provided for	-	-	-	-	-	-
Employee share plan	-	-	-	-	-	-
Balance at 31 December 2017	34,018	269	(870)	33,416	(279)	33,138

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

BEYOND INTERNATIONAL LIMITED AND ITS CONTROLLED ENTITIES
ABN 65 003 174 409
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2018

	Consolidated Entity	
	31 Dec 2018	31 Dec 2017
	$000's	$000's
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers (inclusive of GST)	**50,934**	47,369
Payments to suppliers and employees (inclusive of GST)	**(47,579)**	(48,202)
Interest received	**15**	12
Finance costs paid	**(396)**	(156)
Income tax paid	**(351)**	(425)
Net cash provided by/(used in) operating activities	**2,623**	(1,402)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(354)**	(494)
Distribution guarantees paid	**(688)**	(2,078)
Distribution guarantees recouped	**231**	915
Prepaid royalties	**(422)**	(1,030)
Prepaid royalties recouped	**616**	2,171
Proceeds from disposal of property, plant and equipment	**27**	4
Payment for investments and joint venture	**-**	(826)
Investments in development projects	**(1,039)**	(1,102)
Net cash flows used in investing activities	**(1,629)**	(2,440)
CASH FLOWS FROM FINANCING ACTIVITIES		
(Repayment of)/proceeds from borrowings	**(392)**	242
Lease principal repayments	**(811)**	-
Net cash flows (used in)/provided by financing activities	**(1,203)**	242
Net decrease in cash held	**(210)**	(3,600)
Cash and cash equivalents at the beginning of the financial year	**7,256**	7,645
Cash and cash equivalents at the end of the half year	**7,047**	4,044

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTE 1: CORPORATE INFORMATION

The financial report of Beyond International Limited and its controlled entities for the half-year ended 31 December 2018 was authorised for issue in accordance with a resolution of the directors on 27 February 2019.

Beyond International Limited is a company limited by shares, incorporated and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

NOTE 2: BASIS OF PREPARATION

The half-year financial report has been prepared in accordance with the Corporations Act 2001, applicable Accounting Standards, including AASB 134 'Interim Financial Reporting' and other mandatory professional reporting requirement, as appropriate for-profit oriented entities.

The half-year financial report does not include notes of the type normally included in an annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report. Accordingly, it is recommended that the half-year financial report should be read in conjunction with the annual financial report for the year ended 30 June 2018 and any public announcements made by Beyond International Limited and its controlled entities during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001.

Except for the change in significant accounting polices below, the same accounting policies and methods of computation have been followed in these half-year financial statements as compared with the most recent annual financial statements.

Rounding of amounts

The amounts contained in this report have been rounded to the nearest $1,000 (where rounding is applicable) under the option available to the Company under ASIC Corporations (Rounding in the Financial/Director's Reports) Instruments 2016/191. The Company is an entity which the Legislative Instrument applies.

Changes in significant accounting policies

The Group has adopted AASB 15 Revenue from Contracts with Customers, AASB 16 Leases and AASB 9 Financial Instruments from 1 July 2018. As a result of these new accounting standards becoming effective, the below significant accounting policies have been amended.

Due to the transition methods chosen by the Group in applying these standards, comparative information throughout theses financial statements have not been restated to reflect the requirements of the new accounting standards.

The effect of initially applying these standards is mainly attributed to the recognition of a right-of-use asset within property, plant and equipment and a corresponding current and non-current lease liability.

NOTE 2: BASIS OF PREPARATION (cont'd)

There were no other significant effects on the initial application of these new accounting standards

AASB 15 Revenue from Contracts with Customers

AASB 15 Revenue from Contracts with Customers replaces AASB 118 Revenue, AASB 111 Construction Contracts and several other revenue-related Interpretations. The new Standard has been applied as at 1 July 2018 using the modified retrospective approach. Under this method, the cumulative effect of initial application is recognised as an adjustment to the opening balance of retained earnings at 1 July 2018 and comparatives are not restated. In accordance with the transition guidance, AASB 15 has only been applied to contracts that are incomplete as at 1 July 2018. There has not been a material impact on the adoption of this standard.

The Group's revenue streams can be broadly classified into the following categories:

- TV Production and Copyright
- Film & Television Distribution
- Home Entertainment
- Digital Marketing
- Royalties

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or a service to a customer which is either at a point in time or over time.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether an objective measure other than the passage of time is required before the consideration is due.

AASB 15 did not have a significant impact on the Group's accounting policies with respect to the revenue streams detailed below.

TV Production and Copyright

Revenue for TV Production and Copyright services are recognised over time as the production services are provided to the customer. Each customer contract for TV Production and Copyright services are unique to the customer and it has been determined that there is no alternative use of the production services to the Group. Under the TV Production and Copyright contracts with customers, the Group have an enforceable right to payment for the work completed to date. The input method for determining the amount of revenue to be recognised is assessed based on the costs incurred, which depicts the Group's transferring of the control of the production to the customer.

Rebate revenue in relation to productions is recognised as a grant when the conditions attached to the grant have been fulfilled. The rebate revenue is recognised on a systematic basis in line with the respective costs incurred of the production.

Film & Television Distribution

Revenue for Film & Television Distribution services are recognised at a point in time when the Broadcaster is able to exploit the distribution rights and when the IP rights have been delivered. Both internal and external title IP rights are delivered to the customer by episode.

Home Entertainment

Revenue for Home Entertainment represents the publication and promotion of the Group's partners content on DVD, Blu-ray and digital distribution platforms. Under certain contracts with customers, Home Entertainment operates under a consignment arrangement. Revenue for Home Entertainment is recognised at the point in time when the goods have been accepted as delivered to the customer. For the consignment arrangements, revenue is recognised when the goods have been sold by the retailer to the end-customer.

Digital Marketing

Digital Marketing services includes a range of services including UX/UI design, web development, hosting, project management and search performance services. Revenue for Digital Marketing services are recognised over time as the services are provided to the customer. The stage of completion for determining the amount of revenue to recognise is assessed based on either the costs incurred or the time elapsed, depending on which method best depicts the Group's transferring of the control to the customer.

Royalties

Royalty receipts are received in exchange for a licence of intellectual property. Beyond royalty revenue is currently recognised at a point in time, being once the revenue can be accurately estimated.

NOTE 2: BASIS OF PREPARATION (cont'd)

AASB 9 Financial Instruments

AASB 9 Financial Instruments replaces AASB 139 Financial Instruments: Recognition and Measurement requirements. It makes major changes to the previous guidance on the classification and measurement of financial assets and introduces an 'expected credit loss' ('ECL') model for impairment of financial assets. When adopting AASB 9, the Group elected not to restate prior periods. Rather, differences arising from the adoption of AASB 9 in relation to classification, measurement, and impairment have been recognised as an adjustment to the opening balance of retained earnings at 1 July 2018 and comparatives have not been restated.

AASB 9 did not have a significant impact on the Group's accounting policies. Trade and other receivables that were classified as loans and receivables under AASB 139 are now classified as amortised cost. The effect of adopting AASB 9 on the carrying amounts of financial assets at 1 July 2018 relates solely to the new impairment requirements applying the ECL model. As the ECL assessment has resulted in an immaterial credit loss no impairment allowance has been recognised by the Group as at 1 July 2018.

AASB 16 Leases

AASB 16 was issued in February 2016 for adoption from January 2019. The Beyond Group has decided to early adopt the standard from 1 July 2018. It has resulted in almost all the Group's leases being recognised on the statement of financial position as right-of-use assets, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases.

The Group has applied AASB 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under the preceding standard, AASB 117.

Where a lease is identified at inception, the Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not yet paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

On initial recognition, the carrying value of the lease liability also includes:
- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the group if it is reasonable certain to assess that option;
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of termination option being exercised.

Variable lease payments are only included in measuring the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term.

Subsequently, the lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group used the following practical expedients when applying AASB 16 to leases previously classified as operating leases under AASB 117.
• Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
• Excluded initial direct costs from measuring the right-of-use asset at the date of initial application.
• Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

NOTE 2: BASIS OF PREPARATION (cont'd)

Impacts on financial statements

On transition to AASB 16, the Group recognised an additional $7,531,000 of right-of-use assets and $7,643,000 of lease liabilities, recognising the difference in retained earnings. The group have recognised an additional depreciation charge during the period of $956,000 in relation to depreciation of the right-of-use asset, and additional finance costs of $263,000 due to interest expense on the lease liability.

When measuring lease liabilities, the Group discounted lease payments using its incremental borrowing rate at date of initial application of AASB 16. The rate applied was 6.64%.

	HY Dec 18 Balances Applying AASB 16 $000's	HY Dec 18 Balances Applying AASB 117 $000's	Movement $000's
Statement of Profit or Loss			
Administration costs	1,978	3,056	1,078
Finance costs	396	133	(263)
Depreciation	2,915	1,959	(956)
Statement of Financial Position			
Right-of-use asset	6,548	-	(6,548)
Lease liability	(6,831)	-	6,831
Accumulated losses	(3,590)	(3,337)	253
Statement of Cash Flows			
Cash flows from operating activities	2,623	1,811	(811)
Cash flows used in financing activities	(1,203)	(392)	811

The following table details the Consolidated Entity's remaining contractual maturity for it's financial liabilities.

Consolidated Entity

31 Dec 2018	Average interest rate %	Less than 6 months $000's	6 months to 1 year $000's	1 to 5 years $000's	5+ years $000's	Total Outflows $000's	Carrying amount $000's
Financial liabilities							
Trade & other payables	-	7,048	-	-	-	7,048	7,048
Financial derivatives	-	68	-	-	-	68	68
Other financial liabilities	-	1,260	1,259	-	-	2,519	2,519
Lease liabilities (inclusive of interest)		987	874	5,763	343	7,967	7,967
Producer share payable	-	7,069	7,069	173	-	14,311	14,311
Other payables	-	182	-	-	-	182	182
Borrowings	2.05%	1,445	-	-	-	1,445	1,445
Total financial liabilities		18,059	9,202	5,936	343	33,540	33,540

NOTE 3: Dividends paid

No dividend was paid in relation to half year ended 31 December 2018 (30 June 2018: no dividend was paid).

	31 Dec 2018 $000's	30 Jun 2018 $000's
NOTE 4: Other assets		
Current		
Capitalised development costs	**3,847**	3,085
Less: Development funding received	**(1,936)**	(1,675)
	1,911	1,410
Distribution advances	**8,738**	18,412
Less: Provision for impairment	**(4,222)**	(14,211)
	4,516	4,201
Prepaid royalties	**3,784**	4,696
Capitalised production costs	**2,319**	1,854
Prepayments and other assets	**1,184**	912
	3,503	2,767
	13,713	13,073
Investments in 3rd party copyright	**1,296**	1,234
Capitalised production costs	**6,560**	6,634
	7,856	7,867

NOTE 5: Financial assets and liabilities

	31 Dec 2018 $000's	30 Jun 2018 $000's
Current liabilities		
Foreign currency forward contracts - at fair value	**(68)**	(161)
	(68)	(161)

NOTE 5: Financial assets and liabilities (Cont'd)

Fair value hierarchy

AASB 13 *Fair Value Measurement* requires disclosure of fair value measurements by level in the fair value measurement hierarchy as follows:

- Level 1 - the instrument has quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - a valuation technique is used using inputs other than quoted prices within level 1 that are observable for the financial instrument, either directly (i.e. as prices), or indirectly (i.e. derived from prices).
- Level 3 - a valuation technique is used using inputs that are not observable based on observable market data (unobservable inputs).

Transfers

During the half year ended 31 December 2018, there were no transfers of derivatives between levels 1 and 2 of the fair value hierarchy.

During the half year ended 31 December 2018, the consolidated entity had no level 3 financial instruments.

Valuation techniques used to derive level 2 fair values

The fair value of derivatives not traded in an active market (foreign currency forward contracts) are determined using valuation techniques which uses only observable market data relevant to the hedged position. There has been no change in the valuation technique used since the end of the previous annual reporting period.

Fair values of financial instruments not measured at fair value

The following financial instruments are not measured at fair value in the statement of financial position. These had the following fair values as at 31 December 2018:

	Carrying Amount $'000	Fair Value $'000
NON-CURRENT ASSETS		
Trade and other receivables	2,477	2,320
	2,477	2,320

NOTE 5: Financial assets and liabilities (Cont'd)

	Carrying Amount $'000	Fair Value $'000
NON-CURRENT LIABILITIES		
Other non-current liabilities	**173**	**162**
	173	**162**

Due to their short-term nature, the carrying amounts of cash and cash equivalents, current receivables and current trade and other payables are assumed to approximate their fair value. A discount rate of 6.78% has been applied to all non-current trade and other receivables and other non-current liabilities to determine fair value.

	31 Dec 2018 $000's	30 Jun 2018 $000's
NOTE 6: Intangible assets		
Goodwill	**4,600**	4,600
Trademarks and patents	**150**	150
	4,750	4,750
NOTE 7: Other liabilities		
Current (unsecured)		
Deferred revenue	**7,850**	6,830
GST payable	**177**	90
Producer share payable	**14,138**	13,132
Other	**5**	119
	22,170	20,171
Non-current (unsecured)		
Producer share payable	**173**	155
	173	155

NOTE 8: Contingent assets and liabilities

There has been no change in contingent assets and liabilities since the last annual reporting date.

NOTE 9: Subsequent Events

There are no subsequent events to disclose.

NOTE 10: Segment Information

Management has determined the operating segments based on the reports reviewed by the Board that are used to make strategic decisions. The Board considers the business on a global basis in the following four operating divisions:

TV Production and Copyright
Production of television programming and ownership of television product copyright.

Film and Television Distribution
International distribution of television programmes and feature films.

Home Entertainment
Distribution of DVDs Australia and New Zealand.

Digital Marketing
Online search optimisation, website creation, development and performance and online media sales within Australia and New Zealand.

Unallocated Corporate Expense

Includes the parent entity, centralised administrative support services to the group comprising legal and business affairs, finance and human resources, in addition to internet development. None of these activities constitute a separately reportable business segment.

BEYOND INTERNATIONAL LIMITED AND CONTROLLED ENTITIES
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2018

NOTE 10 - Segment information (Cont'd)

Financial Results as at December 2018

Operating Segment	TV Production & Copyright $'000	Distribution TV & Film $'000	Home Entertainment $'000	Digital Marketing $'000	Other & Inter Segment Eliminations $'000	Consolidated $'000
Revenue						
External revenues excluding fx	27,835	10,167	5,266	4,641	364	48,273
Other segments	2,684	-	-	-	(2,684)	-
Total revenue	30,519	10,167	5,266	4,641	(2,320)	48,273
Result before fx, interest and D&A	2,609	(22)	1,137	546	44	4,314
Depreciation and amortisation	(624)	(135)	(1,370)	(137)	(649)	(2,915)
Result before interest, fx and other expense	1,985	(158)	(233)	409	(605)	1,398
Net interest expense						(381)
Foreign exchange gain						371
Corporate expense						(1,610)
Loss before income tax						(222)
Income tax expense						(100)
Loss after income tax						**(322)**
Non-controlling interest						(60)
Loss for the year						**(382)**

Financial Results as at December 2017

Operating Segment	TV Production & Copyright $'000	Distribution TV & Film $'000	Home Entertainment $'000	Digital Marketing $'000	Other & Inter Segment Eliminations $'000	Consolidated $'000
Revenue						
External revenues excluding fx	21,114	11,192	7,359	5,091	630	45,386
Other segments	-	-	-	-	-	-
Total revenue	21,114	11,192	7,359	5,091	630	45,386
Result before fx, interest and D&A	5,142	1,141	1,624	174	20	8,101
Depreciation and amortisation	(900)	(87)	(1,405)	(62)	(166)	(2,620)
Result before interest, fx and other expense	4,242	1,053	219	113	(146)	5,481
Net interest expense						(144)
Foreign exchange loss						(357)
Corporate expense						(2,654)
Profit before income tax						2,326
Income tax benefit						(1,273)
Profit after income tax						1,053
Non-controlling interest						410
Profit for the year						**1,463**

Depreciation and amortisation	31 Dec 2018 $'000	31 Dec 2017 $'000
As per the Profit and Loss statement	2,915	1,304
Development and library costs in Direct costs	-	1,316
Segment Profit and Loss	**2,915**	**2,620**

BEYOND INTERNATIONAL LIMITED AND ITS CONTROLLED ENTITIES
DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Beyond International Limited, we state that:

In the opinion of the directors:

(a) the accompanying financial statements and notes of the consolidated entity as set out on pages 19 to 32 are in accordance with the Corporations Act 2001 and;

  (i) give a true and fair view of the financial position at 31 December 2018 and the performance for the half-year ended on that date of the consolidated entity; and

  (ii) comply with Australian Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

On behalf of the Board

Mikael Borglund
Managing Director

27 February 2019
Sydney

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Beyond International Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Beyond International Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year then ended, and notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration.

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 the Group is not in accordance with the *Corporations Act 2001* including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2018 and of its financial performance for the half-year ended on that date; and

(ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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 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 Group's financial position as at 31 December 2018 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Group, 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

BDO East Coast Partnership

BDO

Martin Coyle
Partner

Sydney, 27 February 2019