Lodged with the ASX under Listing Rule 4.2.A

Appendix 4D

Half-year report

Wellcom Group Limited

ACN 114 312 542

Current reporting period: Half-year ended 31 December 2018
Previous reporting period: Half-year ended 31 December 2017

Results for announcement to the market

Financial Results				**$'000**
Revenue *	up	5%	to	79,945
Profit after tax from ordinary activities attributable to members	up	11%	to	6,599
Net profit for the period attributable to members	up	11%	to	6,599

***** Revenues (excluding pass through costs) of $58,880k (1H18: $52,117k) represented an increase of 13% over the previous corresponding financial period.

Dividends / Distributions

	Amount per security	Franked amount per security
Current period		
- Interim dividend for the period ended 31 December 2018	11.0 ¢	11.0 ¢
Previous corresponding period		
- Interim dividend for the period ended 31 December 2017	10.0 ¢	10.0 ¢
- Special dividend	25.0 ¢	25.0 ¢
Record date for determining entitlements to the interim divdend		1 March 2019
Payment date for the interim dividend		15 March 2019

For details regarding the operations and financial performance of Wellcom Group Limited for the period ended 31 December 2018 please refer to the attached half-year financial report.

Half-year financial report
Wellcom Group Limited

ACN 114 312 542

Page

Directors' report

The directors of Wellcom Group Limited ('the Company') submit herewith the financial report of the consolidated entity ('the Group') for the half-year ended 31 December 2018, consisting of the Company and the entities it controlled during the half-year ended 31 December 2018. In order to comply with the provisions of the *Corporations Act 2001* , the directors report as follows:

The names of the directors of the Company during or since the end of the half-year until the date of this report are:

W.W. Sidwell	K.B. Smith
C.A. Anzarut	J.A. Kendall

Directors were in office for this entire period unless otherwise stated.

Principal activities

The principal activities of the consolidated entity during the period were:

The provision of advertising and marketing content production and content management services in Australia, the United Kingdom, the United States of America, New Zealand, and Asia encompassing the following services:

- Creative Content Production
- Design, Artwork and Creative Retouching
- Software, Data and Facilities Management
- Digital Photography
- Television Production
- Digital Print
- Pre-media Services; and
- Print Management

Review of operations

Wellcom recorded statutory revenue of $79,945k for the half-year to 31 December 2018 (1H18: $75,865k), representing an increase of 5% over the previous corresponding period. Net revenue (excluding print management pass through costs) of $58,880k for the half-year (1H18: $52,117k) represented an increase of 13% over the previous corresponding period. Revenues increased in each of Wellcom's operating segments, with contributions from recent new business wins including David Jones (Australia), Countdown (NZ), Southeastern Grocers (US), HomeAway - Expedia (UK), and The Body Shop International (UK).

Operating margins within the Group were reduced slightly to 19% from 20% 1H18.

Earnings before interest, tax, depreciation and amortisation for the Group increased 10%, to $11,447k (1H18: $10,369k) with earnings before interest and tax for the Group increasing by 10%, to $9,787k (1H18: $8,909k), and net profit after tax from continuing operations increasing by 11%, to $6,599k (1H18: $5,690k).

The Group generated $5,921k in cash from operating activities for the half-year ended 31 December 2018 (1H18: $6,461k). As at 31 December 2018 Wellcom has net debt of $5,143k (1H18: cash in excess of interest bearing liabilities of $6,233k).

Dividends

The Directors have declared a fully franked interim dividend of 11 cents per share (1H18: 10 cents per share). This equates to a payout ratio of approximately 66% (1H18: 65%). The record date for determining entitlements to the interim dividend is 1 March 2019, and payment will occur on 15 March 2019.

Auditor’s independence declaration under Section 307 of the Corporations Act 2001
The auditor’s independence declaration is included on page 5 and forms part of the Directors’ Report for the half-year ended 31 December 2018.

Rounding off of amounts
The Company is of the kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and therefore the amounts in the Directors’ Report and the half-year financial report have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the *Corporations Act 2001* .

On behalf of the Directors

Wayne Sidwell
Chairman

Melbourne, 19 February 2019

HLB MANN JUDD

Auditor's Independence Declaration

As lead auditor for the review of the financial report of Wellcom Group Limited for the half-year ended 31 December 2018, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and

b) any applicable code of professional conduct in relation to the review.

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Nick Walker
Partner

Melbourne
19 February 2019

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HLB Mann Judd (VIC Partnership) Pty Ltd is a member of HLB International, the global advisory and accounting network

HLB MANN JUDD

INDEPENDENT AUDITOR'S REVIEW REPORT
to the members of Wellcom Group Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Wellcom Group Limited ("the company") which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated income statement, consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory notes, and the directors' declaration, for the consolidated entity comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Company 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*.

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Conclusion

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

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

b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001* .

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Nick Walker
Partner

Melbourne
19 February 2019

Directors' declaration

In the directors' opinion:

(a) the financial statements and notes set out on pages 9 to 20 are in accordance with the *Corporations Act 2001* , including;

(i) complying with Accounting Standard AASB 134 *Interim Financial Reporting* , the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

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

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

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the *Corporations Act 2001.*

On behalf of the Directors

Wayne Sidwell
Chairman

Melbourne, 19 February 2019

Consolidated Income Statement
For the half-year ended 31 December 2018

		31 December 2018	31 December 2017
Continuing operations	**Note**	**$'000**	$'000
Revenue	4(a)	**79,945**	75,865
Cost of sales		**(31,461)**	(32,234)
Gross Profit		**48,484**	43,631
Other income	4(b)	**410**	364
Occupancy expenses		**(4,336)**	(3,842)
Employee benefits expense	4(c)	**(30,793)**	(27,113)
Depreciation and amortisation	4(d)	**(1,660)**	(1,460)
Finance costs	4(e)	**(267)**	(62)
Consulting expenses		**(69)**	(64)
Other expenses		**(2,227)**	(2,578)
Profit from continuing operations before income tax expense		**9,542**	8,876
Income tax expense		**(2,943)**	(2,916)
Net profit for the period attributable to the owners of Wellcom Group Limited		**6,599**	5,960

Earnings per share:		
Earnings per share from profit from continuing operations attributable to the ordinary equity holders of the parent:		
Basic (cents per share)	**16.84**	15.21
Diluted (cents per share)	**16.84**	15.21
Earnings per share from profit attributable to the ordinary equity holders of the parent:		
Basic (cents per share)	**16.84**	15.21
Diluted (cents per share)	**16.84**	15.21

The consolidated income statement is to be read in conjunction with the notes to the half-year financial statements included on pages 14 to 20.

Consolidated Statement of Comprehensive Income
For the half-year ended 31 December 2018

	31 December 2018 $'000	31 December 2017 $'000
Profit for the period	**6,599**	5,960
Other comprehensive income		
Items that may be reclassified to profit or loss when specific conditions are met		
Foreign currency translation	**1,160**	(77)
Other comprehensive income for the period, net of tax	**1,160**	(77)
Total comprehensive income for the period attributable to owners of Wellcom Group Limited	**7,759**	5,883

The consolidated statement of comprehensive income is to be read in conjunction with the notes to the half-year financial statements included on pages 14 to 20.

Consolidated Statement of Financial Position As at 31 December 2018

	Note	As at 31 December 2018 $'000	As at 30 June 2018 $'000
Current assets			
Cash and cash equivalents		**7,872**	8,033
Trade and other receivables		**24,399**	24,950
Inventories & work in progress		**2,996**	2,230
Other current assets		**1,949**	1,903
Total current assets		**37,216**	37,116
Non-current assets			
Property, plant and equipment		**6,388**	6,431
Deferred tax assets		**1,804**	1,987
Intangible assets		**54,221**	49,457
Other non-current assets		**626**	586
Total non-current assets		**63,039**	58,461
Total assets		**100,255**	95,577
Current liabilities			
Trade and other payables		**15,786**	16,852
Short term borrowings		**93**	93
Current tax payables		**597**	390
Provisions		**4,030**	4,343
Total current liabilities		**20,506**	21,678
Non-current liabilities			
Long term borrowings		**12,922**	10,138
Deferred tax liabilities		**1,931**	2,326
Provisions		**346**	313
Other non-current liabilities		**697**	691
Total non-current liabilities		**15,896**	13,468
Total liabilities		**36,402**	35,146
Net assets		**63,853**	60,431
Equity			
Contributed equity	7	**38,355**	38,355
Retained earnings and reserves		**25,498**	22,076
Total equity		**63,853**	60,431

The consolidated statement of financial position is to be read in conjunction with the notes to the half-year financial statements included on pages 14 to 20.

Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2018

	Note	Contributed equity $'000	Reserves $'000	Retained Earnings $'000	Total Equity $'000
At 1 July, 2018		**38,355**	**767**	**21,309**	**60,431**
Profit for the period		**-**	**-**	**6,599**	**6,599**
Other comprehensive income		**-**	**1,160**	**-**	**1,160**
Total comprehensive income for the period		**-**	**1,160**	**6,599**	**7,759**
Transactions with owners in their capacity as owners:					
Employee Share Scheme				**(26)**	**(26)**
Dividends paid	5	**-**	**-**	**(4,311)**	**(4,311)**
At 31 December, 2018		**38,355**	**1,927**	**23,571**	**63,853**

	Note	Contributed equity $'000	Reserves $'000	Retained Earnings $'000	Total Equity $'000
At 1 July, 2017		38,355	(985)	28,592	65,962
Profit for the period		-	-	5,960	5,960
Other comprehensive income		-	(77)	-	(77)
Total comprehensive income for the period		-	(77)	5,960	5,883
Transactions with owners in their capacity as owners:					
Dividends paid	5	-	-	(5,291)	(5,291)
At 31 December, 2017		38,355	(1,062)	29,261	66,554

The consolidated statement of changes in equity is to be read in conjunction with the notes to the half-year financial statements included on pages 14 to 20.

Consolidated Statement of Cash Flows
For the half-year ended 31 December 2018

	Note	**31 December 2018 $'000**	31 December 2017 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		**89,118**	82,892
Payments to suppliers/employees (inclusive of GST)		**(80,063)**	(73,456)
Interest and other costs of finance paid		**(268)**	(62)
Income tax paid		**(2,866)**	(2,913)
Net cash provided by operating activities		**5,921**	6,461
Cash flows from investing activities			
Interest received		**19**	33
Payment for property, plant and equipment		**(887)**	(1,026)
Payment for intangible assets		**(113)**	-
Payment of development costs		**(742)**	(610)
Payments for business acquisition, net of cash acquired		**(2,720)**	-
Net cash used in investing activities		**(4,443)**	(1,603)
Cash flows from financing activities			
Dividends paid	5	**(4,311)**	(5,291)
Proceeds / (Payments) of borrowings		**2,798**	(14)
Net cash used in financing activities		**(1,513)**	(5,305)
Net decrease in cash and cash equivalents		**(35)**	(447)
Cash and cash equivalents at the beginning of the period		**8,033**	6,823
Effects of exchange rate changes on cash and cash equivalents		**(126)**	(11)
Cash and cash equivalents at the end of the period		**7,872**	6,365

The consolidated statement of cash flows is to be read in conjunction with the notes to the half-year financial statements included on pages 14 to 20.

Notes to the finanical statements for the half-year ended 31 December 2018

1. Corporate information

The financial report of Wellcom Group Limited for the half-year ended 31 December 2018 was authorised for issue in accordance with a resolution of the directors on 19 February 2019.

Wellcom Group Limited is a for profit company incorporated in Australia and limited by shares, which are publicly traded on the Australian Securities Exchange (ASX).

The nature of the operations and principal activities of the Group are described in the directors' report. The Group includes the Company and its controlled entities.

2. Summary of significant account policies

Basis of preparation

This interim general purpose financial report for the half-year ended 31 December 2018 has been prepared in accordance with Accounting Standards AASB 134 Interim Financial Reporting and the *Corporations Act 2001* .

The half-year financial report does not include all notes of the type normally included within the 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 Group as the full financial report.

It is recommended that the half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2018 and considered together with any public announcements made by Wellcom Group Limited during the half-year ended 31 December 2018 in accordance with the continuous disclosure obligations of the ASX Listing Rules. The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except as set out below.

Adoption of new and revised Accounting Standards

During the half-year ended 31 December 2018, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for reporting periods beginning on or after 1 July 2018.

AASB 9: Financial Instruments and associated Amending Standards

The key changes made within Standard include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items.

The Group has assessed these the changes, and have assessed no impact to current disclosures.

2. Summary of significant account policies (continued)

AASB 15: Revenue from Contracts with Customers

The core principle of the Standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five-step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

The Group has applied the above five-step process, which has resulted in the consistent treatment as under superseeded AASB 118 for existing contracts and services offerred by the Group.

The revised Standards and Interpretations did not affect the Group's accounting policies or the amounts reported in the financial statements.

Significant accounting judgements and key estimates

The preparation of the half-year financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing the half-year financial report, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2018.

Impact of standards issued but not yet applied to the Group

AASB 16: Leases (applicable to annual reporting periods commencing on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: Property, Plant and Equipment in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The transitional provisions of AASB 16 allow a lessee to either retrospectively apply the Standard to comparatives in line with AASB 108 or recognise the cumulative effect of retrospective application as an adjustment to opening equity on the date of initial application.

The standard will affect primarily the accounting for the group's operating lease commitments. However, the group has not yet determined to what extent these commitments will result in the recognition of an asset and a liability for future payments and how this will affect the group's profit and classification of cash flows. Some of the commitments may be covered by the exception for short-term and low value leases and some commitments may relate to arrangements that will not qualify as leases under AASB 16.

3. Segment reporting

a) Description of segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments are identified by management based on the nature of the goods or services provided and the country of origin. Discrete financial information about each of these operating businesses is reported to the Board of Directors on a monthly basis. The reportable segments identified in the current year are the provision of services in Australasia, United Kingdom and United States of America.

b) Segment information provided to the Board of Directors

The following table presents revenue, profit, total asset and total liability information for the half-year ended 31 December 2018.

Half-year ended 31 December 2018	**Australasia**	**UK**	**US**	**Elimination**	**Total**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**
Total segment revenue	**52,506**	**10,871**	**17,099**	**(531)**	**79,945**
Inter-segment revenue	**(505)**	**-**	**(26)**	**531**	**-**
Revenue from external customers	**52,001**	**10,871**	**17,073**	**-**	**79,945**
Segment result	**7,154**	**1,373**	**2,449**	**-**	**10,976**
Interest revenue	**258**	**-**	**-**	**(236)**	**22**
Interest expense	**(264)**	**(4)**	**(235)**	**236**	**(267)**
Depreciation and amortisation	**(1,033)**	**(204)**	**(423)**	**-**	**(1,660)**
Income tax expense	**(1,945)**	**(252)**	**(746)**	**-**	**(2,943)**
Total segment assets	**80,763**	**10,896**	**24,901**	**(16,305)**	**100,255**
Total segment liabilities	**32,845**	**3,546**	**13,459**	**(13,448)**	**36,402**

The following table presents revenue, profit, total asset and total liability information for the half-year ended 31 December 2017.

Half-year ended 31 December 2017	Australasia	UK	US	Elimination	Total
	$'000	$'000	$'000	$'000	$'000
Total segment revenue	52,016	8,238	16,083	(472)	75,865
Inter-segment revenue	(416)	(42)	(14)	472	-
Revenue from external customers	51,600	8,196	16,069	-	75,865
Segment result	6,325	394	3,339	-	10,058
Interest revenue	301	-	-	(272)	29
Interest expense	(58)	(7)	(269)	272	(62)
Depreciation and amortisation	(1,021)	(147)	(292)	-	(1,460)
Income tax expense	(1,692)	(49)	(1,175)	-	(2,916)
Total segment assets	71,686	8,599	21,472	(14,457)	87,300
Total segment liabilities	15,765	2,742	14,003	(11,764)	20,746

3. Segment reporting (continued)

c) Segment result reconciliation to profit after tax per the consolidated income statement

	31 December 2018 $'000	31 December 2017 $'000
Segment result	**10,976**	10,058
Interest revenue	**22**	29
Interest expense	**(267)**	(62)
Corporate charges	**(1,189)**	(1,149)
Income tax expense	**(2,943)**	(2,916)
Total net profit after tax per the consolidated income statement	**6,599**	5,960

4. Profit from operations

Revenue and expenses from operations	31 December 2018 $'000	31 December 2017 $'000
(a) Revenue		
Revenue from continuing operations	**79,945**	75,865
(b) Other income		
Interest income	**22**	29
Other	**388**	335
	410	364
	80,355	76,229
(c) Employee benefits expense		
Salaries and wages	**30,485**	26,972
Fringe Benefits Tax	**62**	58
Staff amenities	**246**	83
	30,793	27,113
(d) Depreciation and Amortisation		
Depreciation of non-current assets	**1,180**	1,040
Amortisation of intangible assets	**480**	420
	1,660	1,460
(e) Finance costs		
Interest expenses	**267**	62

5. Dividends paid and proposed

Details of dividends declared or paid during or subsequent to the period ended 31 December 2018 are as follows:	**31 December 2018 $'000**	31 December 2017 $'000
(a) Dividends declared and paid during the period:		
Fully franked final dividend for the financial year ended 30 June 2018 of 11.0 cents (2017: 13.5 cents) per ordinary share paid on 14 September 2018 (2017: 15 September 2017)	**4,311**	5,291
(b) Dividends declared but not recognised as a liability:		
Fully franked interim dividend for the half-year ended 31 December 2018 of 11.0 cents (2017: 10.0 cents) per ordinary share proposed to be paid on 15 March 2019 (2017: 16 March 2018)	**4,311**	3,919
Fully franked special dividend of 25.0 cents per ordinary share proposed to be paid on 16 March 2018.	**-**	9,798
	8,622	19,008

6. Contingent liabilities and contingent assets

There are no contingent assets or liabilities of which the directors of the company are aware at the date of this report.

7. Contributed equity

	31 December 2018 $'000	30 June 2018 $'000
39,190,001 Fully paid ordinary shares	**38,355**	38,355

Movement in ordinary shares on issue:	**Number '000**	Number '000
At 1 July 2018	**39,190**	39,190
At 31 December 2018	**39,190**	39,190

8. Net tangible asset backing

	31 December 2018 cents	31 December 2017 cents
Net tangible asset backing per ordinary share	**24.90**	47.10

9. Business combination

Period ended 31 December 2018

Acquisition of Brandsystems

(a) Summary of acquisition

On 1 September 2018 the Group acquired the business and selected assets of Brandsystems International Pte Ltd, located in Singapore. Included with the acquisition was the share capital of Brandsystems India Pvt Ltd, located in Bangalore, India. The acquisition involved a consideration of $3,668,000 funded through debt and cash reserves. Included in the consideration total is deferred consideration of $1,200,000.

9. Business combination (continued)

The fair value of the assets and liabilities acquired as of 1 September 2018 are detailed below:

	Fair value $'000
Assets:	
Cash	80
Current other assets	109
Property, plant & equipment	102
Other non-current assets	58
Liabilities:	
Trade and other payables	(362)
Net identifiable assets acquired	**(13)**

Purchase consideration	3,668
Net identifiable assets acquired	13
Goodwill arising on acquisition	**3,681**

(b) Purchase consideration – cash flow

	$'000
The cash outflow on acquisition is as follows:	
Cash consideration	2,720
Net cash outflow – investing activities	**2,720**

The goodwill is attributable to the acquired business and is provisional as of 31 December 2018. Identification and valuation of assets acquired will be finalised within the 12 month measurement period as permitted under AASB 3. All transaction costs have been expensed.

10. Subsequent events

Subsequent to the end of the reporting period, the directors of Wellcom Group Limited declared an interim dividend of 11.0 cents per ordinary share. The total amount of the interim dividend is $4,311k. The dividend will be 100% franked. The record date for determining entitlements to the dividend is 1 March 2019. The payment date of the dividend will be 15 March 2019.

Except for the declaration of the interim mentioned above, as of the date of this report there have been no events subsequent to the half-year reporting period that, in the opinion of the directors, would affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

11. Audit status

This report is based on accounts which have been subject to review in accordance with ASRE 2410: *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity* . A copy of the review report is enclosed.

12. Controlled entities

Set out below are the Group's subsidiaries at 31 December 2018. The subsidiaries listed below have share capital consisting solely of ordinary shares, which are held directly by the Group and the proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's country of incorporation is also its principle place of business.

Name of subsidiary	Principal place of business	Ownership interest held by the Group	
		2018	2017
Wellcom Moving Images Pty Ltd *	Australia	-	100%
iPrint Corporate Pty Ltd *	Australia	-	100%
Wellcom London Ltd	United Kingdom	100%	100%
Wellcom Group Pte Ltd	Singapore	100%	100%
Wellmalaysia Sdn Bhd	Malaysia	100%	100%
Wellcom Group Inc	United States of America	100%	100%
theLab LLC	United States of America	100%	100%
Dippin' Sauce LLC	United States of America	100%	100%
Brandsystems India Pvt Ltd	India	100%	-
Wellcom Group Ltd	Hong Kong	100%	100%

* Both Wellcom Moving Images Pty Ltd and iPrint Corporate Pty Ltd, dormant entities, were de-registered on the 26 June 2018.