ANNUAL REPORT

FOR THE PERIOD ENDING 30 JUNE 2015

Wealth Defender Equities Limited
ACN 602 517 528

TABLE OF CONTENTS

CHAIRMAN'S REPORT

Dear Shareholders,

I am very pleased to be writing to you after our relatively short period of trading as a public company. This is my first Annual Report as Chairman of Wealth Defender Equities Limited (''the Company") following the successful capital raising and subsequent trading of the securities on the Australian Securities Exchange (ASX) on 21 May 2015.

On behalf of the Board, I am delighted to welcome all of our shareholders and thank you for your support of the Company.

Wealth Defender Equities Limited was established because we believe that many investors seek exposure to an actively managed Australian equities portfolio that is managed in a way that aims to cushion the impact of major market falls. The Company was launched with the objective of satisfying this investment outcome.

Our primary investment goal is to deliver the long term upside of an investment in Australian equities. However, unlike a more traditional Australian equities portfolio that will generally remain "fully invested" across market cycles, the Company's investment strategy is to actively manage allocations among equities, derivative protection and cash throughout market cycles. The aim is to enhance the long term performance outcomes of our portfolio by maximising returns when markets rally while seeking to cushion the magnitude of significant losses when markets fall.

In line with the strategy and the commitments we made at listing, the Company's Manager, Perennial Value Management, did not look to market time during the establishment of the Company's investment portfolio. As a result, the Company's investment portfolio was effectively fully invested within the first few days of trading. The Manager contemporaneously implemented the protection strategies designed to cushion the portfolio in the event of significant market downturn.

As at 30 June 2015, 95.2% of the Company's investment portfolio was invested in shares. The net assets of the Company therefore now consist predominantly of securities listed on the ASX.

FINANCIAL RESULTS

The Company reported a maiden after tax profit of $724,994 for the period ended 30 June 2015. As at the 30 June 2015, the pre-tax net tangible asset backing (NTA) of WDE was $0.947 per share. This is down on the on the pre-tax net tangible asset backing (NTA) of $0.976 per share at the time of listing.

INVESTMENT PERFORMANCE

The Manager delivered a return of -1.60% from inception to 30 June 2015. This return was some 1.0% ahead of the benchmark (S&P/ASX 300 Accumulation Index) which returned -2.6% for the same period. Further detail and commentary from the manager is included in the Manager's update, which follows my report.

CAPITAL MANAGEMENT

Loyalty Options

As all shareholders would be aware, under the IPO for Wealth Defender Equities Limited, shareholders were issued with Loyalty Options (Options) that will vest on the Vesting Date of 23 November 2015. Options were issued on the basis of one option for every share issued under the IPO. The Options will vest if, on the Vesting Date, the option holder holds the same or a greater number of shares issued in the IPO. Subject to availability of all required information to assess whether the vesting conditions are satisfied, option holders will be issued with a holding statement confirming their holding within three business days of the Vesting Date. It is anticipated that vested Options will be quoted on the ASX within seven business days of the Vesting Date.

OUTLOOK

Since the end of the financial year, market volatility has increased substantially. Share markets strengthened in July but weakened significantly in August, impacting the value of the Company's investment portfolio.

I am pleased to let you know that throughout this period the Manager had a protection strategy in place. In the month of August 2015, when the financial markets exhibited significant volatility, the protection strategy performed in line with our expectations. The Company's investment benchmark, the ASX300 Accumulation Index hit a monthly low on 24 August down 11.7% from the beginning of the month. At these lows, the Company NTA was only down approximately 7.4%, 4.3% ahead of the Index. This was consistent with the manager's objective to cushion the impact of significant market falls. From this point the market saw a v-shaped bounce. At month end, the ASX 300 Accumulation Index was down 7.7% for the month with the Company down only 4.7% for the same period.

We are pleased that the risk management overlay protected a large proportion of the Company's capital in the short, sharp moves we experienced in August.

COMPANY UPDATES

I would encourage you to visit our website www.wealthdefenderequities.com.au for updated information on the Company.

Here you can find Share Price Information, Investment Reports, ASX Announcements including our NTA Reports, detail about the Company and our manager, Perennial Value Management, links to contact us and also access details with respect to your shareholding.

Finally, I would again like to thank all our new investors for their support in the Company's first year as a public company. I look forward to meeting those of you who are able to join us at our Inaugural Annual General Meeting which will be held in Sydney on Tuesday 27 October at 10 am at DEXUS Place, Level 5, 1 Margaret Street, Sydney.

a N Schoenheimer

Alan Schoenheimer
Chairman

Sydney
25 September 2015

PORTFOLIO MANAGER'S REPORT

Performance as at 30 June 2015	Since Inception^ %
WDE	-1.6%
S&P/ASX 300 Accumulation Index	-2.6%
Out/Underperformance	+1.0%

^Inception date 21 May 2015 *Performance before fees and tax

The period since listing has been characterised by a high degree of volatility, with the ASX300 Accumulation Index rallying +2.9% between the 21st and 31st of May, before selling off -5.3% in June, to deliver a total return for the period of -2.6%. Over this period, the portfolio delivered a total return of -1.6%, outperforming the index by 1.0%. The stock portfolio performed in line with the market, while the protection portfolio delivered a positive benefit of 1.0% over the period.

Globally, the period was dominated by events in Greece. Equity markets slumped as uncertainty about Greece's membership of the currency union escalated as it edged towards default. Major markets generally finished the period lower, with the S&P500 -3.0%, FTSE -6.9% and the Shanghai Composite -3.8%, while the Nikkei 225 rose slightly, +0.2%. In China, the People's Bank of China reduced its 2015 GDP growth forecasts marginally to 7.0% and cut the benchmark one year lending and deposit rates by 0.25% and the banks' reserve requirement ratio by 0.5% in attempt to stimulate growth. However, US economic data continues to be positive, supported by stronger labour market and manufacturing indicators as well as a continued improvement in homebuilder sentiment.

In Australia, the domestic data flow was mixed. Even with strong Q1 nominal GDP growth of +2.3%, overall nominal growth was still only +1.2% year on year. Employment in May grew at the strongest rate since April 2011, causing the unemployment rate to fall to a better than expected 6.0%. Business confidence lifted following the popular investment measures announced in the federal budget. Consumer confidence, however, remains fragile and retail sales growth also was consequently weak. The housing market remained strong and the RBA left the cash rate steady in June at 2.0% after cutting by 25bp in May, with the AUD closing the period down 2 cents to 77 US cents.

In this risk-off environment, the better performing sectors were the Industrials (-1.8%), with outperformance by Financials (+0.2%) as well as defensive sectors such as Telcos (flat), Utilities (-1.1%) and REITs (-1.8%). Resources (-6.1%) were sold down sharply on the back of lower commodity prices, with Metals and Mining (-7.6%) and Energy (-2.7%).

In terms of individual stock performance, AGL Energy (+4.4%) outperformed, benefitting from an improving outlook for the retail energy markets, an internal efficiency program and is moving to embrace renewable energy under the leadership of a new CEO. Macquarie Group (+2.9%) continued its outperformance, benefitting from favourable operating conditions for a number of their businesses with low interest rates, higher levels of capital markets activity and higher levels of volatility. Asciano (+1.8%) also performed well. This is a company we have been attracted to due to its strong market positions, good management and the significant lift in free cash flow going forward post their current capex program. The latent value in this stock was realised just after year end, with Canadian infrastructure player Brookfield making a takeover offer valuing the company at $9.05, representing a premium of 36% to the prevailing stock price. The offer was later increased to $9.15 including a 90 cents per share fully-franked dividend, representing a pre-tax value of $9.54.

Stocks which detracted from performance included Flight Centre (-26.5%) after delivering disappointing profit guidance and Fairfax (-21.3%) on concerns over the advertising market. Interestingly, both of these stocks outperformed the market subsequent to the release of their full-year results in August, suggesting they had been oversold. Our Resources holdings also tended to underperform, falling in response to lower commodity prices, with South32 (-24.2%), Iluka Resources (-9.3%), AWE (-10.4%), BHP (-6.1%) and Rio Tinto (-4.1%). Despite the prevailing very negative sentiment towards resources, we do see contrarian value opportunities in this sector. Importantly, we hold only a select handful of resource companies which demonstrate the key characteristics of strong balance sheets and operating at the lower end of their respective commodities' global cost curves.

PORTFOLIO POSITIONING

At year end, the portfolio held overweight positions in stocks which are expected to benefit from key themes including the continued strength of the housing cycle, such as Harvey Norman, Lend Lease and Stockland and the expected increase in infrastructure investment, such as Boral and CIMIC Group (the renamed Leighton Holdings). We also held a number of stocks which stand to benefit from the lower Australian dollar as a result of having significant offshore earnings, such as Aristocrat Leisure, Henderson Group and Macquarie Group as well as Amalgamated Holdings, whose domestic hotel business should benefit from a pick-up in inbound tourism. We also held overweight positions in a number of turnaround stocks which are undergoing operational improvement and should see earnings improvement regardless of the external environment, such as AGL Energy, AMP, Fairfax Media and QBE Insurance. As mentioned above, we also held a modest overweight position in the larger resource stocks, where we see management focussing on costs and cash flow in the face of declining commodity prices. We have a broadly neutral position in the major banks and remain underweight the "expensive defensive" sectors of the market where we do not see good investment value such as Healthcare, Utilities and REITs. The portfolio is also positioned overweight the mid-caps, being 11.5% underweight the Top 50 compared to the index.

Stock numbers were 83 and cash was 5.1%.

INVESTMENT OUTLOOK

The heightened level of volatility has continued post year-end, with the markets rallying +4.3% in July before selling off sharply -7.7% in August on concerns over the slowing growth in China. The protection component of the portfolio performed as expected during this period, during which the market delivered a total return of -3.7%, with the portfolio returning -2.6%, outperforming the market by 1.1%. However, it is important to note that at its low point during August, when the market was down some -11.7%, the Company NTA was down only -7.4%. In other words, the portfolio cushioned 37% of the market fall. At month end, the Company NTA was down 4.7%, a 3.0% improvement on the benchmark return for August. The manager is very pleased that the risk management overlay protected a large proportion of the company's capital in the short, sharp move we experienced in August. It should also be noted that we view Wealth Defender as a through-the-cycle strategy.

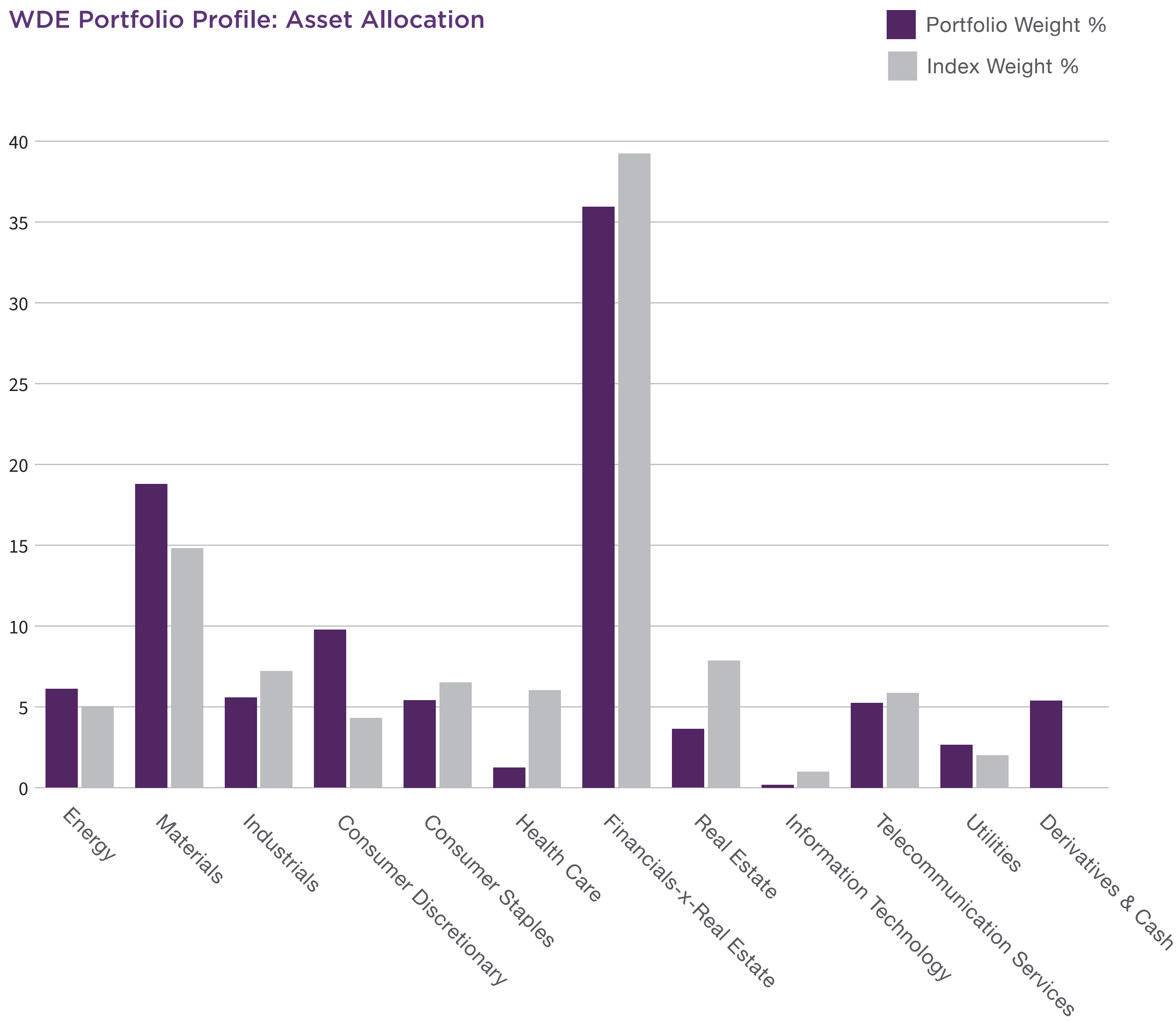
While markets remain volatile, the economic fundamentals of major markets overall seem to be improving slowly and this should drive economic and earnings growth. Further, the current very low interest rates highlight the relative attractiveness of equities. Notwithstanding the economic backdrop, we remain focussed, as always, on identifying companies which possess sound businesses, underpinned by strong balance sheets and which are trading at an attractive valuation discount.

In carrying our protection through the prudent use of derivative securities, investors are able to ride out this volatility and benefit from the long-term growth of equity markets through both dividends and share price appreciation, whilst being protected from the impacts of significant market falls.

STOCK HOLDINGS

As at 30 June 2015, key active positions and sector exposures were as follows:

WDE Portfolio Profile: Asset Allocation



Rounding accounts for small +/- from 100%
Source: Perennial Value Management

WDE Key Investments: Top 20 Holdings

Stock Exposure Analysis as at 30 June 2015

	Stock name	Portfolio Weight %	Index Weight %
1	Westpac Banking Corporation	7.83%	7.09%
2	National Australia Bank Limited	7.67%	6.16%
3	BHP Billiton Limited	6.87%	6.14%
4	Commonwealth Bank of Australia	6.63%	9.80%
5	Telstra Corporation Limited	5.25%	5.31%
6	Australia & New Zealand Banking Group Limited	5.03%	6.29%
7	Woodside Petroleum	2.85%	1.71%
8	QBE Insurance Group Limited	2.71%	1.32%
9	AGL Energy Limited	2.61%	0.74%
10	Rio Tinto Limited	2.59%	1.61%
11	Asciano Limited	2.52%	0.46%
12	Origin Energy Limited	2.39%	0.94%
13	AMP Limited	2.39%	1.26%
14	Macquarie Group Limited	2.20%	1.92%
15	Woolworths Limited	1.95%	2.41%
16	Harvey Norman Holdings Limited	1.78%	0.19%
17	Stockland Property Trust	1.60%	0.68%
18	Crown Limited	1.56%	0.33%
19	Boral Limited	1.55%	0.32%
20	Downer EDI Limited	1.29%	0.15%

Source: Perennial Value Management

PORTFOLIO COMPOSITION – TOP 20 HOLDINGS

AS AT 30 JUNE 2015

EQUITIES IN LISTED COMPANIES

Company name	Value $
Westpac Banking Corporation	9,315,720
National Australia Bank Limited	9,118,279
BHP Billiton Limited	8,164,880
Commonwealth Bank of Australia	7,877,845
Telstra Corporation Limited	6,239,136
Australia & New Zealand Banking Group Limited	5,977,222
Woodside Petroleum	3,394,555
QBE Insurance Group Limited	3,227,460
AGL Energy Limited	3,101,836
Rio Tinto Limited	3,084,928
Asciano Limited	2,995,207
Origin Energy Limited	2,843,258
AMP Limited	2,842,692
Macquarie Group Limited	2,612,859
Woolworths Limited	2,320,285
Harvey Norman Holdings Limited	2,111,740
Stockland Property Trust	1,904,331
Crown Limited	1,850,045
Boral Limited	1,841,182
Downer EDI Limited	1,539,456
Total	**82,362,916**

Source: Perennial Value Management

CORPORATE GOVERNANCE STATEMENT

The Company is committed to implementing the highest standards of corporate governance for a company of its size and standing, in line with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (3rd Edition) (**the Recommendations**).

The Board considers that, due to the size and stage of development of the Company and its operations, it is not practicable or necessary to implement the Recommendations in their entirety. In such instances, the Company has identified areas of divergence, or alternative practices adopted.

The Board has established a series of policies and charters in line with the Recommendations. The Company's Policies and Charters together form the basis of the Company's governance framework.

In accordance with the Recommendations, the Company has made its corporate governance policies and charters publicly available on its website: www.wealthdefenderequities.com.au under 'Corporate Governance'.

DIRECTORS' REPORT

The Directors present their report together with the financial report of Wealth Defender Equities Limited ("the Company") for the period 24 October 2014 to 30 June 2015.

DIRECTORS

The following persons held office as Directors of the Company during the financial period:

Alan Schoenheimer (Chairman) – appointed 27 January 2015

Paul Clitheroe (Non-Executive Director) – appointed 27 January 2015

Richard Morath (Non-Executive Director) – appointed 27 January 2015

Anthony Patterson (Executive of the Manager and Director) – appointed 24 October 2014

John Murray (Executive of the Manager and Director) – appointed 24 October 2014

Bill Anastasopoulos – appointed 24 October 2014 and resigned 16 February 2015

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

PRINCIPAL ACTIVITIES

During the period, the principal activities of the Company included making investments mainly in listed large and small cap Australian companies.

There was no significant change in the nature of the activity of the Company during the period.

DIVIDENDS

No dividends were paid during the period ended 30 June 2015.

REVIEW OF OPERATIONS

The Company was registered with the Australian Securities and Investments Commission (ASIC) on 24 October 2014 and commenced operations on 21 May 2015. The Company issued 125,699,581 fully paid ordinary shares at an issue price of $1.00 and 125,699,580 loyalty options of $1.00 with a vesting date on 21 November 2015 and exercisable until 23 November 2016.

The Company's investment strategy is to actively manage allocations between equities, derivatives and cash throughout market cycles with the aim of enhancing the long term performance outcomes by maximising returns when markets rally and cushioning the magnitude of significant losses when markets fall.

The Company's investment portfolio comprises mainly equities in listed large and small cap Australian companies, with the remainder in cash and derivatives.

Investment operations over the period ended 30 June 2015 resulted in a comprehensive loss, net of tax of $1,583,587 and an operating profit after tax of $724,994. Asset backing for each ordinary share at 30 June 2015 amounted to $0.963 per share.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL PERIOD

No matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The Company will continue to pursue its investment objectives for the long term benefit of the members. This will require continual review of the investment strategies that are currently in place and may require changes to these strategies to maximise returns.

ENVIRONMENTAL REGULATION

The Company is not affected by any significant environmental regulation in respect of its operations.

To the extent that any environmental regulations may have an incidental impact on the Company's operations, the Directors of the Company are not aware of any breach by the Company of those regulations.

INFORMATION ON DIRECTORS

DIRECTOR	EXPERIENCE AND EXPERTISE
 Alan Schoenheimer *Chairman*	Alan Schoenheimer has deep knowledge of the global funds management industry having most recently held senior fund management director roles in Australia, New Zealand, Europe (Ireland), Japan, Singapore, Korea and China while working with Russell Investments ("Russell"). Early in his career, he worked for various petrochemical enterprises as a design engineer in Australia, UK, USA and South Africa. He subsequently joined McKinsey & Co as a consultant where he developed and delivered strategic advice to large Australian and multinational corporations. He joined Russell Investments in 1991 where he managed the consulting relationships for major Australian Superannuation funds including BHP Super, State Super NSW & Work Cover South Australia. During this period he also started the development of Russell's Asian Business. In 1998 Alan was appointed Managing Director Russell Retail Investments where he developed and built out the Russell Retail business in the Australian Market (including growing FUM to $3bn). In 2001 he was appointed Chief Executive Asia Pacific, Russell Investments. During this time, he oversaw Russell Investments' operations in the Asia Pacific region and during his tenure the Australian Asset Management business grew from AUM of $4bn to $24bn. In 2009, Alan transferred to London to be Head of International for Russell. He returned to Australia in 2012 and retired from full time employment at Russell in 2014. He has an in depth understanding of the Australian Superannuation and Funds Management industries, with regard to industry dynamics, challenges for the future and particularly key drivers of business success. **Other current directorships** Alan is currently a director of Russell Investment Management Ltd. **Former directorships in last 3 years** Alan's past directorships include Russell Investments Ireland Ltd, Russell Investments Japan, Russell Investments New Zealand, Russell Investments Singapore and Ping An Russell (Shanghai) Joint Venture in China. **Special responsibilities** Chairman of the Board and member of the Audit Committee. **Interests in shares and options** Details of Alan's interests in shares of the Company are included later in this report. **Interests in contracts** Alan has no interests in contracts of the Company.

DIRECTOR	EXPERIENCE AND EXPERTISE
 Paul Clitheroe AM *Non-Executive Director*	Paul Clitheroe has had an extensive career within the financial services industry as a company director, key practitioner and also educator. In 1983 along with four partners, he established Ipac Securities Limited, one of Australia's first fee for service advisory groups. Ipac today manages $17 billion. He has been Chairman of the Australian Government Financial Literacy Board since 2002, which sets and implements the National Strategy for financial literacy with a particular focus on schools, universities and vocational education. He was host of "Money" on Channel 9 from 1993 to 2002. His Talking Money segments run on radio stations across Australia and his Money books have sold over 750,000 copies. Paul was appointed as a Member of the Order of Australia in 2008 for services to the financial services industry and the community. In 2011 he was nominated as "Most Outstanding Thought Leader" by the Financial Services Industry body, FINSIA, and was made a Life Member in 2012. In addition he holds the Chair of Financial Literacy at Macquarie University and is a Professor in the School of Business and Economics. Paul is Chairman of the youth anti drink driving body RADD. He is Chairman of Money Magazine and the Clitheroe Foundation. **Other current directorships** Paul is also a Director of Ipac Securities/Ipac Asset Management, Philanthropy Australia, the University of Sydney Medical Foundation and the ASX listed entity Australasian Wealth Investments Limited. **Former directorships in last 3 years** Apart from being a Director of Australasian Wealth Investments Limited, Paul has not held any other directorships of listed companies within the last three years. **Interests in shares and options** Details of Paul's interests in shares of the Company are included later in this report. **Interests in contracts** Paul has no interests in contracts of the Company.

DIRECTOR	EXPERIENCE AND EXPERTISE
 Richard Morath *Non-Executive Director*	Richard Morath has over 40 years experience in life insurance, funds management, banking and financial planning. He started his career in senior banking roles in the Commercial Banking Company of Sydney and State Bank of NSW and was then appointed as Managing Director of the Australian Bank. Following the acquisition of the Australian Bank by State Bank of Victoria, he joined Lend Lease/ MLC in 1989 to establish the MLC Building Society and develop the unit trust business of MLC. In 1993, he became CEO of the Retail Funds Management business of MLC. In 1996 he was appointed CEO of the Corporate and Institutional Funds business of MLC, and in 1999, he was appointed to Group Executive Lend Lease Corporation as the person responsible for all relations with media, shareholders, analysts and Government. **Other current directorships** Richard is currently non executive director and chairman of the Advice & Licences Boards of all Financial Planning companies in NAB/MLC and Chairman of National Australia Trustees. He is also a director of JANA Investment Advisors Limited, BNZ Life and BNZ Investments Services Limited, and of ASX listed Platinum Capital Limited (as well as being Chair of its audit committee). **Former directorships in last 3 years** His past directorships between 1988 and 2014 include MLC Limited (Life Company), MLC Investments Limited, (Responsible Entity & Manager), Medfin Limited (Chairman) and various MLC Superannuation Trustee Boards and Plum Financial Services Limited. **Special responsibilities** Chairman of the Audit Committee. **Interests in shares and options** Details of Richard's interests in shares of the Company are included later in this report. **Interests in contracts** Richard has no interests in contracts of the Company.

DIRECTOR	EXPERIENCE AND EXPERTISE
 Anthony Patterson *Executive of the Manager and Director*	Anthony Patterson is an Executive Director of Perennial Value. Anthony started with Perennial Investment Partners Limited in April 2001 as Head of Sales and Marketing and was promoted to Managing Director/ Chief Executive Officer from May 2003. During his period as Chief Executive Officer, Perennial Investment Partners Limited became Australia's largest boutique investment management firm. Anthony stood down from this position in March 2012 to focus his attention on Perennial's largest boutique, Perennial Value Management where he serves as an Executive Director. Prior to joining Perennial Investment Partners Limited, he was CEO of Lend Lease Corporate Services Limited. During this time, he participated in the management team which oversaw the implementation of MLC Limited's overall business strategy. He sat on MLC's investment committee and distribution committees for both retail and wholesale funds management. Anthony's achievements as CEO included strong growth in both market share and profits for Lend Lease Corporate Services. Anthony was employed by Lend Lease between 1990 and 2001 occupying various management positions. Prior to Lend Lease, he was employed by Capita Benefits Planning Pty Ltd from 1983 to 1990, where he completed his service as WA State Manager in 1990. **Other current directorships** Anthony is a Director of Perennial Value Management Ltd, Perennial Value Smaller Companies Pty Ltd, and Perennial Value Wealth Defender Pty Ltd. **Former directorships in last 3 years** Anthony is a former Director of Perennial Investment Partners Ltd. **Special responsibilities** Investment Manager of the Company **Interests in shares and options** Details of Anthony's interests in shares of the Company are included later in this report. **Interests in contracts** Details of Anthony's interests in contracts of the Company are included later in this report.

DIRECTOR	EXPERIENCE AND EXPERTISE
 John Murray *Executive of the Manager and Director*	John Murray established Perennial Value in January 2000 and has some 29 years of experience in the funds management industry. He is one of Australia's most respected value investors and has built a stable team of investment professionals who have consistently delivered good results for investors. Under his leadership, funds under management have grown from $40 million in 2000 to approximately $8 billion and Perennial Value has won a number of prestigious industry awards and accolades. Prior to establishing Perennial Value, John was the Investment Director, Australian Shares at Westpac Investment Management, a Senior Portfolio Manager at Maple-Brown Abbott, and the Head of Australian Equities at Perpetual Investments. He commenced his career with Pricewaterhouse Coopers, where he qualified as a Chartered Accountant. He holds a Bachelor of Arts in Accounting from the University of Canberra. In October 2014, John was inducted into the Australian Fund Managers Hall of Fame. **Other current directorships** John is a Director of Perennial Value Management Ltd, Perennial Value Smaller Companies Pty Ltd, and Perennial Value Wealth Defender Pty Ltd. **Former directorships in last 3 years** John has not held any other directorships of listed companies within the last three years. **Special responsibilities** Investment Manager of the Company and Member of the Audit Committee. **Interests in shares and options** Detail of John's interests in shares of the Company is included later in this report. **Interests in contracts** Details of John's interests in contracts of the Company are included later in this report.

COMPANY SECRETARY

Sarah Prince has over nine years experience as a solicitor and governance professional and currently works for Company Matters Pty Limited. Previously, Sarah worked in the Board Advisory Services division of KPMG.

Sarah holds a BA LLB from University of Tasmania and is an Associate of The Governance Institute of Australia.

MEETINGS OF DIRECTORS

The number of meetings of the Company's board of Directors and of each board committee held during the period ended 30 June 2015, and the number of meetings attended by each Director were:

			Meetings of committees	
	Directors' Meetings		Audit	
	A	B	A	B
Alan Schoenheimer	4	4	–	–
Paul Clitheroe	4	4	–*	–
Richard Morath	4	4	–	–
Anthony Patterson	4	4	–*	–
John Murray	4	4	–	–

A = Number of meetings attended

B = Number of meetings held during the time the Director held office or was a member of the committee during the period

* Not a member of the relevant committee

The Company does not currently have a Remuneration and Nomination Committee as the functions to be performed by those Committees are best undertaken by the Directors due to the size of the Company.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each Director of the Company in accordance with the *Corporations Act 2001*.

Fees and payments to Directors reflect the demands that are made on and the responsibilities of the Directors and are reviewed annually by the Board. The Company determines the remuneration levels and ensures they are competitively set to attract and retain appropriately qualified and experienced Directors.

Directors' base fees are set at an aggregate maximum of $250,000 per annum. Directors do not receive bonuses nor are they issued options on securities. Directors' fees cover all main Board activities and membership of committees. Under the ASX Listing Rules, the maximum fees paid to Directors may not be increased without approval from the Company at a general meeting. Directors will seek approval from time to time as appropriate.

Details of remuneration

The following tables show details of the remuneration received by the Directors of the Company for the current financial period.

2015	Short term employee benefits	Post-employment benefits	
Name	Salary and fees $	Super-annuation $	Total $
Non-executive Directors			
Alan Schoenheimer*	24,617	–	24,617
Paul Clitheroe*	21,303	–	21,303
Richard Morath	17,686	1,680	19,366
Sub-total non-executive directors	63,606	1,680	65,286
Executive Directors			
Anthony Patterson		–	–
John Murray	–	–	–
Total compensation	63,606	1,680	65,286

*Figures include GST

The Company has no employees other than Executive and Non-Executive Directors and therefore does not have a remuneration policy for employees.

The Directors are the only people considered to be key management personnel of the Company.

The Company outsources the company secretarial function to Company Matters Pty Limited.

Director Related Entity Remuneration

All transactions with related entities were made on normal commercial terms and conditions.

Anthony Patterson and John Murray are both Directors of Perennial Value Management Limited ("Perennial Value"), the entity appointed to manage the investment portfolio of the Company. Perennial Value, in its capacity as manager, earned a management fee of 0.98% p.a. (plus GST) of the first $250 million of the net asset value of the portfolio and 0.8%p.a. thereafter amounting to $137,247 (inclusive of GST but net of reduced input tax credit) for the period. As at 30 June 2015, the balance payable to the manager was $147,289 (including GST).

In addition, Perennial Value is to be paid, annually in arrears, a performance fee of 15% (exclusive of GST) of the portfolio's outperformance of the benchmark over the performance calculation period, calculated using the following:

Performance Fee = ((CV-PV) – (BI x PV)) x 0.15

Where:

CV is the net asset value of the portfolio before all taxes and current performance fee accrual calculated on the last business day of the relevant performance calculation period;

PV is the net asset value of the portfolio before all taxes and current performance fee accrual calculated on the last business day of the immediately preceding performance calculation period, or in the case of the first performance calculation period, the net asset value of the portfolio before all taxes at listing; and

BI is the increase in the benchmark over the performance calculation period expressed as percentage. The benchmark is the S&P/ASX 300 Accumulation Index.

If the amount calculated using the formula above is a negative number, no performance fee is payable in respect of that performance calculation period. Where the amount calculated is a negative, it is to be carried forward to the following performance calculation period(s) until it has been recouped in full against future performance fees payable.

For the period ended 30 June 2015, in its capacity as manager, Perennial Value earned a performance fee amounting to $143,083.

No Director has received or become entitled to receive a benefit (other than those detailed above) by reason of a contract made by the Company or a related Company with the Director or with a firm of which he is a member or with a Company in which he has substantial financial interest.

Remuneration of Executives

There are no executives paid by the Company. Anthony Patterson and John Murray are both considered Executive Directors on the basis that they are Directors of Perennial Value Management Limited and due to their role as investment managers in that entity, are integrally involved in the operations of the Company.

Equity Instrument Disclosures Relating to Directors

As at 20 August 2015, the Company's Directors and their related parties held the following interests in the Company:

Ordinary Shares Held

2015

Director	Balance at 20 May 2015	Acquisitions/ Options Exercised	Disposals	Balance at 20 August 2015
Alan Schoenheimer	–	25,000	–	25,000
Paul Clitheroe**	–	500,000	–	500,000

Richard Morath	–	30,000	–	30,000
Anthony Patterson**	–	2,000,001	–	2,000,001
John Murray**	–	1,000,000	–	1,000,000
	–	3,555,001	–	3,555,001

Directors and Director related entities disposed of and acquired ordinary shares in the Company on the same terms and conditions available to other shareholders.

Options Held

2015

Director	Balance at 20 May 2015	Options Acquired	Balance Vested	Balance at 20 August 2015
Alan Schoenheimer	–	25,000	–	25,000
Paul Clitheroe**	–	500,000	–	500,000
Richard Morath	–	30,000	–	30,000
Anthony Patterson**	–	2,000,000	–	2,000,000
John Murray**	–	1,000,000	–	1,000,000
	–	3,555,000	–	3,555,000

** held through indirect interests

Directors and Director related entities acquired options in the Company on the same terms and conditions available to other shareholders.

The Directors have not, during or since the end of the financial period, been granted options over unissued shares or interests in shares of the Company as part of their remuneration.

End of remuneration report

INSURANCE AND INDEMNIFICATION OF OFFICERS AND AUDITORS

During the financial period, the Company has given indemnity or entered into an agreement to indemnify, or paid or agreed to pay insurance premiums.

The Company has paid premiums to insure each of the Directors against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of Director of the Company, other than conduct involving a wilful breach of duty in relation to the Company or the improper use by the Directors of their position.

Details of the amount of the premium paid in respect of the insurance policies are not disclosed.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

NON-AUDIT SERVICES

The Board of Directors, in accordance with advice from the Audit & Risk Committee, is satisfied that the provision of non-audit services during the period is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The Directors are satisfied that the services disclosed in Note 19 did not compromise the external auditor's independence for the following reasons:

- all non-audit services have been reviewed by the audit committee to ensure they do not impact the impartiality and objectivity of the auditor
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 21.

This report is made in accordance with a resolution of Directors.

A N Schoenheimer

Alan Schoenheimer
Chairman

Sydney
26 August 2015

AUDITOR'S INDEPENDENT DECLARATION

MOORE STEPHENS

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AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF WEALTH DEFENDER EQUITIES LIMITED

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Wealth Defender Equities Limited for the period ended 30 June 2015, I declare that, to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Wealth Defender Equities Limited during the period.

Moore Stephens Sydney
Chartered Accountants

Scott Whiddett
Partner

Dated in Sydney this 26th day of August 2015.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 30 JUNE 2015

	2015 $
Income	
Interest received	77,301
Dividend received	116,230
Realised gains on investments held for trading	1,024,552
Sundry Income	330
Unrealised gains on investments held for trading	249,720
	1,468,133
Expenses	
Administration fees	(13,265)
Management fees	(137,247)
Performance fees	(133,327)
Brokerage expenses	(9,085)
Share registry fees	(8,341)
Taxation service fees	(9,900)
Directors' fees	(65,286)
Legal fees	(1,061)
ASX fees	(27,007)
Audit fees	(26,234)
Other expenses	(23,710)
	(454,463)
Profit before income tax	1,013,670
Income tax expense	(288,676)
Profit attributable to members of the Company	724,994
Other comprehensive income	
Items that will not be reclassified to profit or loss:	
Realised gain on long-term equity investments	50,859
Revaluation of investments	(3,370,629)
Provision for tax benefit on revaluation of investments	1,011,189
Other comprehensive loss for the period	(2,308,581)
Total comprehensive (loss) for the period	(1,583,587)

	Cents
Earnings per share for profit attributable to the ordinary equity holders of the Company:	
From Continuing Operations	
Basic earnings per share	3.59

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

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2015

	Note	2015 $
Assets		
Current assets		
Cash and cash equivalents	8	5,745,873
Trade and other receivables	9	523,723
Financial assets	10	797,307
Other assets	11	46,732
Total current assets		7,113,635
Non-current assets		
Financial assets	10	112,482,812
Deferred tax assets	12	2,120,422
Total non-current assets		114,603,234
Total assets		121,716,869
Liabilities		
Current liabilities		
Trade and other payables	13	536,159
Total current liabilities		536,159
Non-current liabilities		
Deferred tax liabilities	14	97,951
Total non-current liabilities		97,951
Total liabilities		634,110
Net Assets		121,082,759
Equity		
Issued Capital	15	122,666,346
Reserves	16	(1,583,587)
Total Equity		121,082,759

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

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 30 JUNE 2015

	Issued Capital $	Capital Profits Reserve $	Asset Revaluation Reserve $	Profits Reserve $	Retained Earnings $	Total $
Balance at 21 May 2015	–	–	–	–	–	–
Profit for the period	–	–	–	–	724,994	724,994
Other comprehensive loss for the period:						
Net unrealised losses for long-term equity investments	–	–	(2,308,581)	–	–	(2,308,581)
Total comprehensive loss for the period	–	–	(2,308,581)	–	724,994	(1,583,587)
Transfer of reserves	–	–	–	724,994	(724,994)	–
Gain on disposal of long-term equity investments	–	50,859	(50,859)	–	–	–
Transactions with equity holders in their capacity as owners:						
Shares issued, net of transaction costs	122,666,346	–	–	–	–	122,666,346
Balance at 30 June 2015	122,666,346	50,859	(2,359,440)	724,994	–	121,082,759

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

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 JUNE 2015

	Note	2015 $
Cash flows from operating activities		
Interest received		73,078
Dividend received		9,368
Payment for other expenses		(440,581)
Proceeds from sale of investments held for trading		2,502,995
Purchase of investments held for trading		(2,026,030)
Net cash provided by operating activities	23	118,830
Cash flows from investing activities		
Proceeds from sale of long-term equity investments		4,208,148
Purchase of long-term equity investments		(119,947,493)
Net cash (used in) investing activities		(115,739,345)
Cash flows from financing activities		
Proceeds from share issue, net of transaction costs		121,366,388
Net cash provided by financing activities		121,366,388
Net increase in cash and cash equivalents held		5,745,873
Cash and cash equivalents at beginning of financial period		–
Cash and cash equivalents at end of financial period	8	5,745,873

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2015

1 GENERAL INFORMATION

Wealth Defender Equities Limited (the "Company") is a listed public company domiciled in Australia. The address of Wealth Defender Equities Limited registered office is C/- Perennial Value Management Limited, Level 6, 161 Collins Street, Melbourne. The Company is primarily involved in making investments, and deriving revenue and investment income from listed securities in Australia.

The Company was registered with the Australian Securities and Investments Commission (ASIC) on 24 October 2014 and commenced operations on 21 May 2015. As this is the Company's first period of operations, there are no comparatives.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. The financial statements are for the entity Wealth Defender Equities Limited.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the Corporations Act 2001. Wealth Defender Equities Limited is a for-profit entity for the purpose of preparing the financial statements.

The financial statements were authorised for issue by the Board of Directors on 26 August 2015.

(i) Compliance with IFRS

The financial statements of the Company also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) New and amended standards adopted by the Company

The Company adopted AASB 9 *Financial Instruments Standard* which applies to annual reporting periods beginning from 1 January 2018 for the reporting period commencing 21 May 2015. AASB 9 *Financial Instruments* addresses the classification, measurement and derecognition of financial assets and financial liabilities. This Standard simplifies the classification of financial assets and allows for recognition of gains and losses on investments in long-term equity instruments that are not held for trading in other comprehensive income.

No other new accounting standards and interpretations that are available for early adoption but not yet adopted at 30 June 2015, will result in any material change in relation to the financial statements of the Company.

(iii) Historical cost convention

These financial statements have been prepared under the accruals basis and are based on historical cost convention, as modified by the revaluation of financial assets and liabilities at fair value through profit or loss.

(iv) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 5.

(b) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of rebates and amounts collected on behalf of third parties.

(i) Investment income

The realised gains or losses on disposal of investments are recognised at the date of the transaction. Unrealised gains or losses of the financial assets held for trading is recognised on the Statement of Profit or Loss and unrealised gains or losses of long-term equity investments is recognised as other comprehensive income and taken to the Asset Revaluation Reserve on the Statement of Financial Position.

(ii) Dividends

Dividends are recognised as revenue when the right to receive payment is established.

(iii) Interest income

Interest income is recognised as it accrues, taking into account the effective yield on the financial asset.

(iv) Derivative instruments

Derivative instruments are measured at fair value. Gains and losses arising from changes in fair value are taken to the Statement of Profit or Loss.

(c) Income tax

The income tax expense/(income) for the period comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the period as well as unused tax losses.

Current and deferred income tax expense/(income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(d) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

(e) Trade and other receivables

Receivables may include amounts for dividends, interest and securities sold where settlement has not yet occurred. Interest is accrued at the end of each reporting period from the time of last payment. Amounts are generally received within 30 days of being recorded as receivables. Dividends are accrued when the right to receive payment is established.

Sale of securities that are unsettled at reporting date is normally settled within three business date of the trade date.

(f) Financial assets and liabilities

Classification

(i) Financial instruments held for trading

These include futures, forward contracts, options and interest rate swaps. Derivative financial instruments entered into by the Company do not meet the hedge accounting requirements as defined by the accounting standards. Consequently, hedge accounting is not applied by the Company.

(ii) Long-term equity investments

Long-term equity investments comprise holdings in marketable equity securities which are intended to be held for the long term.

(iii) Financial instruments designated at fair value through profit or loss

These include financial assets that are not held for trading purposes and which may be sold. The fair value through profit or loss classification is available for the majority of the financial assets held by the Company.

Recognition and derecognition

Financial assets and liabilities at fair value through profit or loss and long-term equity investments are recognised initially on the trade date at which the Company becomes party to the contractual provisions of the instrument. Other financial assets are recognised on the date they originated.

Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

Measurement

(i) Financial instruments designated at fair value through profit or loss

Financial assets held at fair value through profit or loss is measured initially at fair value, with transaction costs that are directly attributable to its acquisition recognised in the Statement of Profit or Loss. Subsequent to initial recognition, all instruments held at fair value through profit or loss are measured at fair value with changes in their fair value recognised in the statement of profit or loss.

(ii) Long-term equity investments

Long-term equity investments are recognised initially at cost and the Company has elected to present subsequent changes in the fair value of the investments in the Statement of Other Comprehensive Income after deducting a provision for the potential deferred capital gains tax liability as these investments are long term holdings of the Company.

Determination of Fair Value

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

The Company's accounting policy on fair value measurements is discussed in Note 4.

Under AASB 13, if an investment has a bid price and an ask price, the price within the bid-ask spread that is more representative of fair value in the circumstances shall be used to measure fair value. Accordingly, the Company uses the last sale price as a basis of measuring fair value.

(g) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the reporting date which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Purchases of securities and investments that are unsettled at the reporting date are included in payables and are normally settled within three business days of trade date.

(h) Finance costs

Finance costs are recognised as expenses in the period in which they are incurred using the effective interest rate method.

(i) Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(j) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

In accordance with the Corporations Act 2001, the Company may pay a dividend where the Company's assets exceed its liabilities, the payment of the dividend is fair and reasonable to the Company's shareholders as a whole and the payment of the dividend does not materially prejudice the Company's ability to pay its creditors.

(k) Profits reserve

The profits reserve is made up of amounts transferred from current and retained earnings that are preserved for future dividend payments.

(l) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the period and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Where applicable, the Company qualifies for Reduced Input Tax Credits (RITC) at a rate of at least 75%; hence fees for these services have been recognised in the Statement of Comprehensive Income net of the amount of GST recoverable from the taxation authority.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Statement of Financial Position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

(n) Functional and presentation currency

The functional and presentation currency of the Company is Australian dollars.

(o) Operating segments

The Company operated in Australia only and the principal activity is investing.

3 FINANCIAL RISK MANAGEMENT

The Company's financial instruments consist mainly of shares listed on the Australian stock exchange and derivatives. Other financial instruments include deposits with banks, accounts receivable and payable.

The Company's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Board of the Company has implemented a risk management framework to mitigate these risks.

(a) Market risk

The standard defines this as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

(i) Foreign exchange risk

The Company is not materially exposed to currency risk as majority of its investments are quoted in Australian dollars.

(ii) Price risk

The Company is exposed to equity securities price risk. This arises from investments held by the Company and classified in the Statement of Financial Position as financial assets and financial liabilities at fair value through profit or loss.

The Company seeks to manage and constrain market risk by diversification of the investment portfolio across multiple stocks and industry sectors. The portfolio is maintained by the Investment Manager within a range of parameters governing the levels of acceptable exposure to stocks and industry sectors. The relative weightings of the individual securities and relevant market sectors are reviewed normally weekly and risk can be managed by reducing exposure where necessary.

(iii) Cash flow and fair value interest rate risk

The Company's interest bearing financial assets expose it to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on its financial position and cash flows. The risk is measured using sensitivity analysis.

The table below summarises the Company's exposure to interest rate risks. It includes the Company's assets and liabilities at fair values, categorised by the earlier of contractual repricing or maturity dates.

	Floating Interest rate $	Non-Interest bearing $	Total $
At 30 June 2015			
Financial assets			
Cash and cash equivalents (i)	5,745,873	–	5,745,873
Trade and other receivables	–	523,723	523,723
Financial assets available for sale	–	112,482,812	112,482,812
Financial assets held at fair value through profit or loss	–	797,307	797,307
Other assets	–	46,732	46,732
	5,745,873	113,850,574	119,596,447
Financial liabilities			
Trade and other payables		(536,159)	(536,159)
		(536,159)	(536,159)
Net exposure to interest rate risk	5,745,873	113,314,415	119,060,288

(i) The weighted average interest rate of the Company's cash and cash equivalents at 30 June 2015 is 0.94%.

The Company has performed a sensitivity analysis relating to its exposure to price rick and interest rate risk at the end of each reporting period. This sensitivity analysis demonstrates the effect on the current period results and equity which could result from a change in these risks.

	2015 $
Price risk	
Held-for trading financial assets	
Change in Profit	
– Increase in portfolio prices by 5%	39,865
– Decrease in portfolio prices by 5%	(39,865)
Long-term equity investments	
Change in Equity	
– Increase in portfolio prices by 5%	5,624,141
– Decrease in portfolio prices by 5%	(5,624,141)
Interest rate risk	
Change in Profit	
– Increase in portfolio prices by 0.5%	28,729
– Increase in portfolio prices by 0.5%	(28,729)
Change in Equity	
– Increase in interest rate by 0.5%	28,729
– Decrease in interest rate by 0.5%	(28,729)

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Credit risk primarily arises from investments in debt securities and from trading derivative products. Other credit risk arises from cash and cash equivalents, and deposits with banks and other financial institutions.

With respect to credit risk arising from the financial assets of the Company, the Company's exposure to credit risk arises from default of the counterparty, with the current exposure equal to the fair value of these investments as disclosed in the statement of financial position. This does not represent the maximum risk exposure that could arise in the future as a result of changes in values, but best represents the current maximum exposure at the reporting date.

The Company held no collateral as security or any other credit enhancements.

Management of the risk

The risk was managed as follows:

- Cash is only invested with highly rated international financial institutions in Australia; and
- Receivable balances are monitored on an ongoing basis and the Company has no debts past due or impaired.

(c) Liquidity risk

The standard defines this as the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

The Investment Manager monitors its cash-flow requirements daily in relation to the investing account taking into account upcoming dividends, tax payments and investing activity.

The Company's inward cash flows depend upon the level of dividend and distribution revenue received. Should these decrease by a material amount, the Company would amend its outward cash flows accordingly. As the Company's major cash outflows are the purchase of securities and dividends paid to shareholders, the level of both of these is managed by the Board and Investment Manager.

The assets of the Company are largely in the form of readily tradeable securities which can be sold on-market if necessary.

Maturities of financial liabilities

The tables below analyse the Company's non-derivative financial liabilities into relevant maturity groupings based on their contractual maturities at period end date.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 30 June 2015	Less than 1 month $	More than 1 month $	Total contractual undiscounted cash flows $
Non-derivatives			
Trade and other payables	536,159	–	536,159
Total non-derivatives	536,159	–	536,159

4. FAIR VALUE MEASUREMENTS

The Company measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets and financial liabilities at fair value through profit or loss (FVTPL)
- Long-term equity investments

(a) Fair value hierarchy

AASB 13 requires disclosure of fair value measurements by level of the following fair value measurement hierarchy (consistent with the hierarchy applied to financial assets and financial liabilities):

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)

(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (level 2), and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

(i) Recognised fair value measurements

The following table presents the Company's assets and liabilities measured and recognised at fair value at 30 June 2015.

At 30 June 2015	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets				
Long-term equity investments				
– Shares in listed corporations	112,482,812	–	–	112,482,812
Held-for-trading financial assets				
– Derivatives	797,307	–	–	797,307
Total financial assets	113,280,119	–	–	113,280,119

Included within Level 1 of the hierarchy are listed investments. The fair values of these financial assets and liabilities have been based on the closing quoted last prices at the end of the reporting period, excluding transaction costs.

There were no transfers between levels for recurring fair value measurements during the period.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) Disclosed fair values

For all financial instruments other than those measured at fair value their carrying value approximates fair value.

The carrying amounts of trade and other receivables and payables are assumed to approximate their fair values due to their short-term nature.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Key judgements

(i) Deferred tax asset

Deferred tax asset has been recognised on unused tax losses on the basis that the Company will generate future taxable profits to utilise the tax losses.

6 SEGMENT INFORMATION

The Company has only one reportable segment. The Company operates predominantly in Australia and in one industry being the securities industry, deriving revenue from dividend income, interest income and from the sale of its trading portfolio.

7 INCOME TAX EXPENSE/(BENEFIT)

(a) Numerical reconciliation of income tax expense/(benefit) to prima facie tax payable

	2015 $
Profit/(loss) from continuing operations before income tax expense/(benefit)	1,013,670
Tax at the Australian tax rate of 30.0%	304,101
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:	
– Franking credits on dividends received	(7,937)
– Foreign tax credits on dividends received	422
– Imputation credit gross up	2,381
– Accrued dividend receivable	(10,291)
Income tax expense/(benefit)	288,676
The applicable weighted average effective tax rates are as follows:	28.48%
The income tax expense results in a:	
Current tax liability	–
Deferred tax liability	97,951
Deferred tax asset	190,725
Income tax expense	288,676

(b) Amounts recognised directly in equity

Aggregate deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited or credited to equity:

Unrealised losses on long-term equity investments	1,011,189
Transaction costs on equity issue	1,299,958
Net deferred tax – debited/(credited) directly to equity	2,311,147

8 CASH AND CASH EQUIVALENTS

Current	
Cash at bank and financial institutions	5,745,873

(a) Reconciliation to cash at the end of the period

The above figures are reconciled to cash at the end of the financial period as shown in the Statement of Cash Flows as follows:

Balances as above	5,745,873

(b) Risk exposure

The Company's exposure to interest rate risk is discussed in Note 3. The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of cash and cash equivalents mentioned above.

	Standard & Poor's Rating
Cash investments are made with the following financial institutions:	
Commonwealth Bank of Australia	A
Credit Suisse	A-1

9 TRADE AND OTHER RECEIVABLES

	2015 $
Current	
Dividends and distributions receivable	106,862
Interest receivable	4,223
GST receivable	288,328
Other receivable	124,310
	523,723

Receivables are non-interest bearing and unsecured.

Fair value and credit risk

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

10 FINANCIAL ASSETS

	Note	2015 $
Current & Non-Current		
Current – Held-for-trading financial assets	10(a)	797,307
Non-Current – Long-term equity investments	10(b)	112,482,812
Total securities		113,280,119

(a) Financial assets held-for-trading comprise:

Derivative Instruments	797,307

(b) Long-term equity investments:

Shares in listed corporations	112,482,812

(c) During the reporting period the total number of transactions in securities undertaken by Wealth Defender Equities Limited was 485 and the total brokerage paid or accrued was $9,085.

11 OTHER ASSETS

Current	
Prepayments	46,732

12 DEFERRED TAX ASSETS

	2015 $
The balance comprises temporary differences attributable to:	
Capitalised expense deduction	1,039,966
Accrued expenses	10,824
Tax loss	58,443
Unrealised losses in movement in market value of investments	1,011,189
	2,120,422
Movements:	
Opening balance	–
Charged/credited:	
– to profit or loss	(190,725)
– directly to equity	2,311,147
Closing balance	2,120,422

13 TRADE AND OTHER PAYABLES

Current	
Management fees payable	147,289
Performance fees payable	143,083
Other payables	245,787
	536,159

Trade and other payables are unsecured and are usually paid within 30 days of recognition. The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

14 DEFERRED TAX LIABILITIES

Non-current	
The balance comprises temporary differences attributable to:	
Net unrealised gains on financial assets	74,916
Other temporary differences	23,035
	97,951
Movements:	
Opening balance	–
Charged/credited:	
– profit or loss	97,951
Closing balance	97,951

15 ISSUED CAPITAL

(a) Share capital

	2015 $
Ordinary shares	122,666,346

(b) Movements in ordinary share capital

Date	Details		No of shares	$
21 May 2015	Opening Balance		–	–
	Share issue*	(d)	125,699,581	125,699,581
	DRP shares issued for dividend	(e)	–	–
	Cost of issued capital		–	(3,033,235)
30 June 2015	Closing balance		125,699,581	122,666,346

* Includes initial subscriber share

(c) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(d) Shares under IPO

The Company issued a replacement Prospectus on 25 March 2015 for the offer of up to 160,000,000 fully paid ordinary shares at an office price of $1.00 per share to raise up to $160,000,000, together with an entitlement to 1 loyalty option for every 1 share subscribed for with a vesting date of 23 November 2015 and exercisable at $1.00 on or before 23 November 2016. On the 15 May 2015, the Company issued 125,699,581 fully paid ordinary shares under this initial public offering at $1.00 per share.

(e) Dividend reinvestment plan

The Directors plan to elect to implement a dividend reinvestment plan (“plan”). Participating shareholders will be entitled to be allotted the number of shares which the cash dividend would purchase at the subscription price determined by the Directors from time to time in accordance with the Corporations Act. Shares issued under the DRP will rank equally with existing ordinary shares. A participant may at any time terminate participation in the plan by notice in writing to the Company.

(f) Capital risk management

The Company’s policy is to maintain a strong capital base so as to maintain investor and market confidence. The overall strategy remains unchanged.

To achieve this, the Board of Directors monitor the monthly NTA results, investment performance and share price movements.

The Board is focused on maximising returns to shareholders with capital management a key objective of the Company. The Company is not subject to any externally imposed capital requirements.

16 RESERVES AND RETAINED EARNINGS

(a) Reserves

	2015 $
(i) Capital Profits Reserve	50,859
(ii) Asset Revaluation Reserve	(2,359,440)
(iii) Profits Reserve	724,994
	(1,583,587)

(i) Capital Profits Reserve

The reserve records gains or losses arising from disposal of long-term equity investments.

Movements in capital profits reserve were as follows:	
Opening balance	–
Realised gains on disposal of investments	50,859
	50,859

(ii) Asset Revaluation Reserve

The reserve records revaluations of long-term equity investments.

Movements in asset revaluation reserve were as follows:	
Opening balance	–
Revaluation of investments	(2,359,440)
	(2,359,440)

(iii) Profits Reserve

The reserve is made up of amounts transferred from current and retained earnings that are preserved for future dividend payments.

Movements in profits reserve were as follows:	
Opening balance	–
Transfer from retained earnings	724,994
	724,994

(b) Retained Earnings

Movements in retained earnings were as follows:	
Opening balance	–
Net profit for the period	724,994
Transfer (to) profits reserve	(724,994)
	–

17 DIVIDENDS

No dividends were paid for the period ended 30 June 2015.

	2015 $
Dividend franking account	
Opening balance of franking account	–
Franking credits on dividends received	–
Closing balance of franking account	–
Adjustments for tax payable/refundable in respect of the current period's profits and the receipt of dividends after period end	7,937
Adjusted franking account balance	7,937
Impact on the franking account of dividends proposed or declared before the financial report authorised for issue but not recognised as a distribution to equity holders during the period	–
Franking credits available for subsequent reporting periods based on a tax rate of 30.0%	7,937

The Company's ability to pay franked dividends is dependent upon the receipt of franked dividends from investments and the payment of tax.

18 KEY MANAGEMENT PERSONNEL DISCLOSURES

(a) Key management personnel compensation

Short-term employee benefits	63,606
Post-employment benefits	1,680
	65,286

Detailed remuneration disclosures are provided in the remuneration report on pages 10 to 12.

(b) Equity instrument disclosures relating to key management personnel

(i) Option holdings

The numbers of options over ordinary shares in the Company that were held during the financial period by each Director and other key management personnel of the Company, including their personally related parties, are set out below.

2015	Balance at 20 May 2015	Granted	Exercised	Balance at 30 June 2015
Name				
Director				
Alan Schoenheimer	–	25,000	–	25,000
Paul Clitheroe**	–	500,000	–	500,000
Richard Morath	–	30,000	–	30,000
Anthony Patterson**	–	2,000,000	–	2,000,000
John Murray**	–	1,000,000	–	1,000,000
	–	3,555,000	–	3,555,000

** held through indirect interests

(ii) Share holdings

The numbers of shares in the Company held during the financial period by each Director and other key management personnel of the Company, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

2015	Balance at 20 May 2015	Net movement	Balance at 30 June 2015
Director			
Alan Schoenheimer	–	25,000	25,000
Paul Clitheroe**	–	500,000	500,000
Richard Morath	–	30,000	30,000
Anthony Patterson**	–	2,000,001	2,000,001
John Murray**	–	1,000,000	1,000,000
	–	3,555,001	3,555,001

** held through indirect interests

19 REMUNERATION OF AUDITORS

During the period the following fees were paid or payable for services provided by the auditor of the Company, its related practices and non-related audit firms:

	2015 $
Moore Stephens Sydney	
Audit and other assurance services	
– Audit and review of financial statements	26,235
Other assurance services	
– Other assurance	70,566
– Other non-assurance	6,909
Total remuneration for audit and other assurance services	103,710
Taxation services	
– Tax compliance services	9,900
Total remuneration of Moore Stephens Sydney	113,610

The Company's Audit Committee oversees the relationship with the Company's External Auditors. The Audit Committee reviews the scope of the audit and the proposed fee. It also reviews the cost and scope of other audit-related tax compliance services provided by the audit firm, to ensure that they do not compromise independence.

20 CONTINGENCIES

The Company had no contingent liabilities at 30 June 2015.

21 RELATED PARTY TRANSACTIONS

(a) Transactions with other related parties

All transactions with related entities were made on normal commercial terms and conditions.

Anthony Patterson and John Murray are both Directors of Perennial Value Management Limited ("Perennial Value"), the entity appointed to manage the investment portfolio of the Company. Perennial, in its capacity as manager, earned a management fee of 0.98% p.a. (plus GST) of the first $250 million of the net asset value of the portfolio and 0.8%p.a. thereafter amounting to $137,247 (inclusive of GST but net of reduced input tax credit) for the period. As at 30 June 2015, the balance payable to the manager was $147,289 (including GST).

In addition, Perennial Value is to be paid, annually in arrears, a performance fee of 15% (exclusive of GST) of the portfolio's outperformance of the benchmark over the performance calculation period, calculated using the following:

Performance Fee = ((CV-PV) – (BI x PV)) x 0.15

Where:

CV is the net asset value of the portfolio before all taxes and current performance fee accrual calculated on the last business day of the relevant performance calculation period;

PV is the net asset value of the portfolio before all taxes and current performance fee accrual calculated on the last business day of the immediately preceding performance calculation period, or in the case of the first performance calculation period, the net asset value of the portfolio before all taxes at listing; and

BI is the increase in the benchmark over the performance calculation period expressed as percentage. The benchmark is the S&P/ASX 300 Accumulation Index.

If the amount calculated using the formula above is a negative number, no performance fee is payable in respect of that performance calculation period. Where the amount calculated is a negative, it is to be carried forward to the following performance calculation period(s) until it has been recouped in full against future performance fees payable.

For the period ended 30 June 2015, in its capacity as manager, Perennial Value earned a performance fee amounting to $143,083.

No Director has received or become entitled to receive a benefit (other than those detailed above) by reason of a contract made by the Company or a related Company with the Director or with a firm of which he is a member or with a Company in which he has substantial financial interest.

22 EVENTS OCCURRING AFTER THE REPORTING PERIOD

No matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company in subsequent financial periods.

Since financial year end, market volatility has increased substantially. Share markets strengthened in July but have weakened significantly in August, impacting the company's investment portfolio. However, the Manager has protection strategies in place that aim to cushion the impact of significant market falls.

23 RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2015 $
Profit for the period	724,994
Unrealised gains on market value movement	(249,720)
Change in operating assets and liabilities:	
– (Increase) in trade and other receivables	(399,414)
– (Increase) in other assets	(46,732)
– Increase in trade and other payables	348,613
– (Increase) in investments held-for-trading	(547,587)
– Increase in deferred taxes	288,676
Net cash inflow from operating activities	118,830

24 EARNINGS PER SHARE

(a) Basic earnings per share

	2015 Cents
Basic earnings per share attributable to the ordinary equity holders of the Company	3.59

(b) Weighted average number of shares used as denominator

	2015 Number
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	20,192,705

25 HOLDINGS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME AT 30 JUNE 2015

The following holdings are valued at fair value through other comprehensive income.

	Value $
Westpac Banking Corporation	9,315,720
National Australia Bank Limited	9,118,279
BHP Billiton Limited	8,164,880
Commonwealth Bank of Australia	7,877,845
Telstra Corporation Limited	6,239,136
Australia & New Zealand Banking Group Limited	5,977,222
Woodside Petroleum	3,394,555
QBE Insurance Group Limited	3,227,460
AGL Energy Limited	3,101,836
Rio Tinto Limited	3,084,928
Asciano Ltd	2,995,207
Origin Energy Limited	2,843,258
AMP Limited	2,842,692
Macquarie Group Limited	2,612,859
Woolworths Limited	2,320,285
Harvey Norman Holdings Limited	2,111,740
Stockland Property Trust	1,904,331
Crown Limited	1,850,045
Boral Limited	1,841,182
Downer EDI Limited	1,539,456
Coca-Cola Amatil Limited	1,493,527
Lend Lease Corp Limited	1,491,592
Iluka Resources Limited	1,476,073
Graincorp Ltd	1,465,865
CIMIC Group Ltd	1,327,207
Amalgamated Holdings Limited	1,282,077
Orica Limited	1,270,373
Ansell Limited	1,143,215
Wesfarmers Limited	1,110,364
Fairfax Media Limited	1,090,064
Sims Group Limited	1,086,546
Brickworks Limited	1,046,440
Aristocrat Leisure Limited	1,012,386
Henderson Group PLC	991,696
Newcrest Mining Limited	956,475
Bluescope Steel Limited	806,154
Orora Limited	798,330
Newscorp Class B CDI	797,197
Flight Centre Limited	716,515
South32 Limited	711,149
Sandfire Resources NL	581,842

25 HOLDINGS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME AT 30 JUNE 2015, CONTINUED

	Value $
AVJennings Limited	416,586
Myer Holdings Limited	415,509
HFA Holdings Limited	402,213
Australian Worldwide Exploration	392,706
APN News & Media Limited	318,562
Fantastic Holdings Limited	317,596
Thorn Group Limited	277,297
Tox Free Solutions Limited	266,808
Aveo Group	258,142
Tower Limited	244,419
Simonds Group Limited	237,563
Regis Resources Limited	221,672
Prime Media Group Limited	219,034
Gateway Lifestyle	215,287
Melbourne IT Limited	198,703
ISelect Limited	177,160
LifeHealthcare Group Limited	175,889
Smartgroup Corporation Limited	162,567
Runge Limited	159,034
G8 Education Limited	157,852
Whitehaven Coal Limited	149,022
Washington H. Soul Pattinson	147,020
Emerchants Limited	141,855
Seamlink Travel Group Limited	132,405
Capral Aluminium Limited	126,821
Super Retail Group Limited	125,172
Austex Oil Limited	118,927
MMA Offshore Limited	115,762
Sundance Energy Australia	113,307
Sky City Entertainment Group	112,927
Panoramic Resources Limited	112,468
Sino Gas & Energy Holdings Limited	110,202
QMS Media Limited	105,186
Pulse Health Limited	89,135
AMA Group Limited	80,912
Pacific Energy Limited	78,181
Greencross Limited	78,137
Skydive The Beach Group Limited	76,633
Global Construction Services	76,440
Nufarm Limited	57,536
Ridley Corporation	55,166
GDI Property Group	26,990
Total	**112,482,812**

DIRECTORS' DECLARATION

FOR THE PERIOD ENDED 30 JUNE 2015

In accordance with a resolution of the Directors of Wealth Defender Equities Limited, the Directors of the Company declare that:

(a) the financial statements and notes set out on pages 14 to 33 are in accordance with the *Corporations Act 2001*, including:

   (i) complying with Australian Accounting Standards, which as stated in accounting policy Note 2 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS); and

   (ii) giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the period ended on that date, and

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

(c) The Directors have been given the declarations required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of the Board of Directors.

A N Schoenheimer

Alan Schoenheimer
Chairman

Sydney
26 August 2015

INDEPENDENT AUDITOR'S REPORT

MOORE STEPHENS

Level 15, 135 King Street
Sydney NSW 2000

GPO Box 473
Sydney, NSW 2001

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF WEALTH DEFENDER EQUITIES LIMITED

We have audited the accompanying financial report of Wealth Defender Equities Limited (the "Company"), which comprises the statement of financial position as at 30 June 2015, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Financial Report

The directors of Wealth Defender Equities Limited are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 2, the directors also state that, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements* that the financial statements comply with International Financial Reporting Standards (IFRS).

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

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

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

MOORE STEPHENS

Independence

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

Auditor's Opinion

In our opinion:

a) the financial report of Wealth Defender Equities Limited is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the Company's financial position as at 30 June 2015 and of its performance for the period ended on that date; and

   (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Regulations 2001.

b) The financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Report on the Remuneration Report

We have audited the Remuneration Report included in pages 16 to 19 of the directors' report for the period ended 30 June 2015. The directors of Wealth Defender Equities Limited are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's Opinion

In our opinion the Remuneration Report of Wealth Defender Equities Limited for the period ended 30 June 2015, complies with section 300A of the *Corporations Act 2001.*

Moore Stephens Sydney

Moore Stephens Sydney
Chartered Accountants

SWhiddett

Scott Whiddett
Partner

Dated in Sydney this 26th day of August 2015.

SHAREHOLDER INFORMATION

The Shareholder information set out below was applicable as at 19 August 2015.

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report, is listed below.

A. DISTRIBUTION OF EQUITY SECURITIES

Analysis of numbers of equity security holders by size of holding:

	Class of equity security Ordinary shares		
Holding	No of Shareholders	Shares	Percentage
1 – 1,000	13	8,244	0.01
1,001 – 5,000	509	1,726,187	1.37
5,001 – 10,000	424	4,058,714	3.23
10,001 – 100,000	1,872	72,788,347	57.91
100,001 and over	167	47,118,089	37.48
	2,985	125,699,581	100

There were 5 holders of less than a marketable parcel of ordinary shares holding a total of 1,500 shares.

Analysis of numbers of option holders by size of holding:

	Class of equity security Loyalty Options		
Holding	No of Option Holders	Options	Percentage
1 – 1000	1	7	0.00
1,001 – 5,000	545	1,857,704	1.48
5,001 – 10,000	422	4,046,280	3.22
10,001 – 100,000	1,854	72,603,500	57.76
100,001 and over	167	47,192,089	37.54
	2,989	125,699,580	100

B. EQUITY SECURITY HOLDERS

Twenty largest quoted equity security holders

Name	A/C Designation	19 Aug 2015	%IC
R & R Corbett Pty Ltd	R C Corbett Family	5,000,000	3.98
Moya Pty Ltd	Jaam	2,000,000	1.59
HSBC Custody Nominees (Australia) Limited		1,535,715	1.22
Egmont Pty Ltd	<Craig Carter Super Fund A/C>	1,500,000	1.19
A & E Patterson Investments Pty Ltd	<A & E Patterson S/F A/C>	1,000,000	0.80
Patterson Family Holdings Pty Ltd		1,000,000	0.80
Nandaroo Pty Limited		1,000,000	0.80
Avanteos Investments Limited	<Icon Office Solutions A/C>	1,000,000	0.80
Mr Walter Lawton & Mr Brett Lawton	<Walter & Jan Lawton S/F A/C>	900,000	0.72
Richjeca Pty Ltd	<Richjeca A/C>	700,000	0.56
Puhiga Pty Ltd	<Puhiga Super Fund A/C>	640,000	0.51
Puharic Pty Ltd	<Porich Super Fund A/C>	600,000	0.48
J P Morgan Nominees Australia Limited		595,000	0.47
Mr Angus Youngman Graham & Mrs Helen Kay Graham	<A Y Graham Fam Sett S/F A/C>	595,000	0.47
HSBC Custody Nominees (Australia) Limited – A/C 2		500,000	0.40
Kelrill Pty Ltd		500,000	0.40
Australian Executor Trustees Limited	<No 1 Account>	500,000	0.40
Ms Gweneth Joy McIntyre & Ms Glenice Kay Gronow	<GJ McIntyre Pension A/C>	450,000	0.36
JWH Nominees Pty Ltd	<Hunt Investment A/C>	400,000	0.32
Bond Street Custodians Limited	<MKB1 – V20867 A/C>	400,000	0.32
Bond Street Custodians Limited	<Mabatt – D00114 A/C>	400,000	0.32
Borg Acquisitions Pty Limited	<Borg Acquisition A/C>	400,000	0.32
Indiginata Investments Pty Ltd	<Indiginata Super Fund A/C>	350,000	0.28
R Pickles Superannuation Pty Ltd	<The R Pickles Super Fund A/C>	350,000	0.28
Brogan Super Pty Ltd	<Brogan Family S/Fund A/C>	320,000	0.25
Pacific Development Corporation Pty Ltd		300,000	0.24
Leafy Pty Ltd	<Angophora A/C>	300,000	0.24
Sandra Marder		300,000	0.24
Mrs Lynette Joy Herriot & Mrs Tracey Joy Moulds	<The LJ Herriot S/F A/C>	300,000	0.24
SLO Concepts Pty Ltd	<Oldham Super Fund A/C>	300,000	0.24
Lintern Pty Ltd	<LEP Super Fund A/C>	300,000	0.24
		19,435,715	19.44

C. SUBSTANTIAL HOLDERS

There are no substantial shareholders.

D. VOTING RIGHTS

The voting rights attaching to each class of equity securities are set out below:

Each share is entitled to one vote when poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands. Options do not have any voting rights until they vest and are exercised.

E. STOCK EXCHANGE LISTING

Quotation has been granted for all of the ordinary shares and options of the Company on all Member Exchanges of the ASX Limited.

F. UNQUOTED SECURITIES

There are no unquoted shares.

G. SECURITIES SUBJECT TO VOLUNTARY ESCROW

There are no securities subject to voluntary escrow.

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CORPORATE DIRECTORY

DIRECTORS

Alan Schoenheimer
Chairman and Non Executive Director

Paul Clitheroe
Non Executive Director

Richard Morath
Non Executive Director

Anthony Patterson
Executive of the Manager and Director

John Murray
Executive of the Manager and Director

SECRETARY

Sarah Prince
Company Matters Pty Ltd
Level 12
680 George Street
Sydney NSW 2000

INVESTMENT MANAGER (“MANAGER”)

Perennial Value Management Limited
Level 19
56 Pitt Street
Sydney NSW 2000
Ph: (02) 8274 2700

AUDITORS

Moore Stephens Sydney

REGISTERED OFFICE

Level 19, 56 Pitt Street
Sydney NSW 2000
Telephone: 1800 645 202

SHARE REGISTRAR

Link Market Services Limited
Level 12, 680 George Street
Sydney NSW 2000
Telephone: 1300 554 474

STOCK EXCHANGE

Australian Securities Exchange (ASX)
The home exchange is Sydney
ASX code: WDE Ordinary Shares
Loyalty options $1.00 vesting on 23 November 2015 exercisable until 23 November 2016

Wealth
Defender
Equities