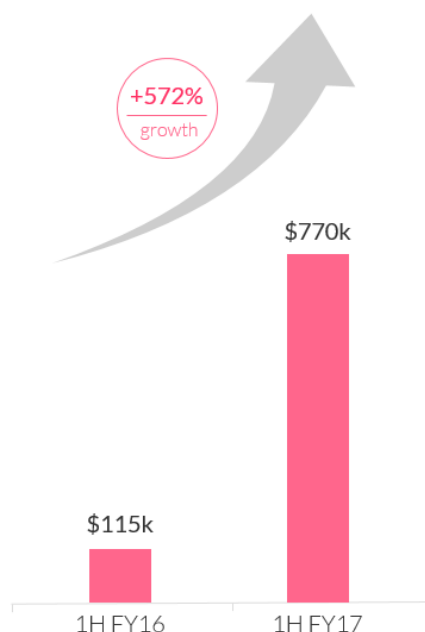


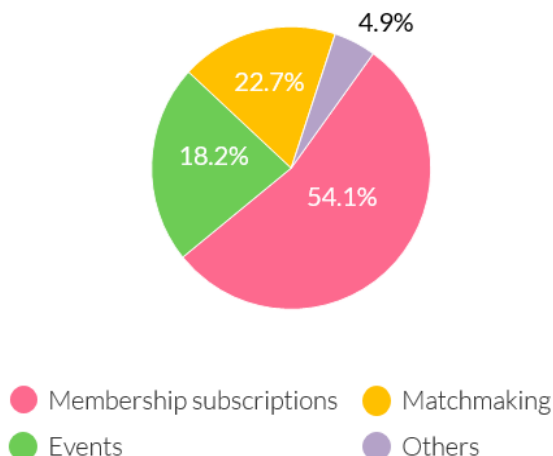
## DateTix Group announces FY17 half-year results

- **Revenue from continuing activities of \$769,845 for the half year ended December 31, 2016, +572% versus the corresponding period in the prior year**
  - Online recurring membership subscription revenues comprised 54% of total revenues for the half year
  - Hong Kong continues to see strong growth across both online dating and offline matchmaking businesses, driven by local critical mass and network effects
- **Record matchmaking revenues of \$175,035 for the half year ended December 31, 2016, across both Hong Kong and Shenzhen matchmaking stores**
  - Well positioned to expand matchmaking business into cities where company has large and established online user base, including London, Singapore and Bangkok
- **Completed acquisitions of Lovestruck and Noonswoon to grow revenue and user base, expand geographic reach and broaden brand portfolio**

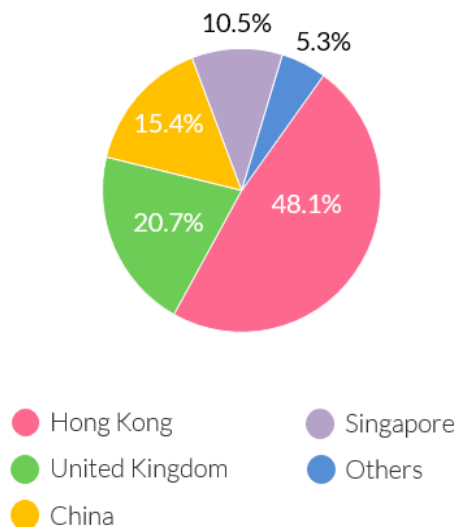
### Revenue from continuing activities



## 1H FY17 revenue by product



## 1H FY17 revenue by geography



DateTix Group Ltd (ASX:DTX) is pleased to present its FY17 half-year report for the six months ended December 2016. Revenue from continuing activities for the period was \$769,845, an increase of 572% from the half year ended December 2015. The significant increase in revenue was primarily driven by the acquisition of Lovestruck, as well as organic growth of the matchmaking business.

During the half year, the company successfully completed a capital raising through a private placement on 5 December 2016. As part of the placement, the Group issued 5,175,295 ordinary shares at a price of \$0.34 per share, raising a total of \$1,759,600 (prior to costs). The Group intends on using the proceeds of the placement to expand its product portfolio across Southeast Asia and Greater China.

**DateTix Founder and CEO, Michael Ye:** *"The first half of fiscal year 2017 has been a transformative one for our company, with strong revenue growth driven by both strategic acquisitions and organic expansion. We successfully completed the acquisition of leading online dating platforms Lovestruck and Noonswoon, which significantly broadens our brand portfolio and makes us well positioned for growth and expansion across Southeast Asia and Greater China."*

*We are excited about the strong revenue growth seen in our matchmaking business across our initial two stores in Hong Kong and Shenzhen, which provides validation for our hybrid online plus offline business model, whereby we leverage our large online user bases to upsell them premium matchmaking services to significantly increase our average revenue per user and ROI on marketing spend.*

*Looking ahead to the second half of fiscal year 2017, we plan to continue to grow our business across both online dating and offline matchmaking, including opening new matchmaking stores in London, Singapore and Bangkok."*



**For further information, please contact:**

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**Follow DateTix on Twitter:** <https://twitter.com/DateTixIR>

### **About DateTix Group**

DateTix Group is a leading provider of social and dating products and services, including the DateTix platform, the Lovestruck platform, and premium matchmaking services.

The DateTix platform is a mobile online marketplace that facilitates offline dates by connecting like-minded people who are nearby each other and free at the same times. With the tap of just a few buttons, DateTix members can quickly and effortlessly meet new people at nearby establishments for meals, drinks, live events, outdoor activities and more, for a wide range of intentions, including casual dating, serious relationship, friendship, business networking. For more information, please visit <http://www.datetix.com>

Lovestruck is a leading premium online dating platform currently operating in Hong Kong, Singapore and the United Kingdom. Founded in 2006 in London, the platform has since expanded to other markets, including Hong Kong and Singapore. Lovestruck has established itself as a readily identifiable brand position in a competitive yet burgeoning market. Genuinely regarded as a preeminent brand within the dating industry – and a founding member of the Online Dating Association, a new trade body created to set and uphold the highest standards in the industry – Lovestruck has won numerous awards, most notably 'Online Dating Brand of the Year' for two years in a row at the UK Dating Awards. For more information, please visit <http://www.lovestruck.com>

Noonswoon is a pioneering dating company operating in Thailand. The company's primary product is a mobile app targeting people who are serious daters. Unlike other dating apps where the quantity of profiles is key, Noonswoon focuses on the quality and compatibilities of profiles, aiming to introduce people who have similar socio-economic backgrounds. The app introduces its members to only one curated and high quality match per day. For more information, please visit <https://www.noonswoonapp.com>

## Appendix 4D

<b>Name of Entity:</b>	Datetix Group Ltd (ASX_DTX)
<b>ABN:</b>	82 009 027 178
<b>Current Financial Period Ended:</b>	Half-Year ended 31 December 2016
<b>Previous Corresponding Reporting Period</b>	Half-Year ended 31 December 2015

## Results for Announcement to the Market

	Percentage change Up or Down	%	\$
Revenue from continuing activities	Up	572%	to 769,845
(Loss) from ordinary activities after tax attributable to members	Up	105%	to (2,025,319)
(Loss) for the period attributable to members	Up	131%	to (2,110,128)

Dividends	Amount per Security	Franked amount per security
Interim Dividend – Current reporting period	Nil	Nil
Record date for determining entitlements to dividends (if any)	Not applicable	
Date Dividend is payable	Not applicable	
Details of any dividend reinvestment plan in operation	Not applicable	
The last date for receipt of an election notice for participation in any dividend reinvestment plan	Not applicable	

Net Tangible Assets (NTA)	December 2016	December 2015
Net Tangible Assets per security (before tax)	4.52 cents per share	12.34 cents per share
Net Tangible Assets per security (after tax)	4.52 cents per share	12.34 cents per share

## Control Gained Over Entities

<b>Name of entity</b>	<b>Lovestruck Limited</b>
<b>Date control gained</b>	31 July 2016
<b>Consolidated (loss) from ordinary activities since the date in the current period in which the entity was acquired</b>	\$(605,579)

<b>Name of entity</b>	<b>Noonswoon Co., Limited</b>
<b>Date control gained</b>	19 December 2016
<b>Consolidated (loss) from ordinary activities since the date in the current period in which the entity was acquired</b>	\$(8,365)

## Loss of Control Over Entities

<b>Name of entity</b>	<b>Enverro Inc</b>
<b>Date control lost</b>	26 October 2016
<b>Consolidated profit from ordinary activities in the current period to the date in which control was lost</b>	\$0
<b>(Loss) from ordinary activities of the entity while controlled for the whole of the previous corresponding period</b>	\$(118,798)

## Details of Associates and Joint Venture Entities

Not applicable

## Audit/Review Status

This report is based on the Half-Year Financial Report which has been subject to independent review by the Auditors, Pitcher Partners. All the documents comprise the information required by ASX Listing Rule 4.2A. The information should be read in conjunction with the 30 June 2016 Annual Financial Report.

The Auditor's report is an unmodified report with an emphasis of matter for going concern which is outlined in Note 1 (b) of this interim report. The uncertainty relates to the Group's net loss of \$2,024,162 and net cash outflows from operating activities of \$1,463,189 during the half-year end 31 December 2016 and the Group's reduce the non-operating expenses and associated growth of its service offering in major Asian Markets.

Original signed	
<b>Signed By (Director)</b>	
<b>Print Name</b>	Michael Ye
<b>Date</b>	27 February 2017



## **DATETIX GROUP LTD**

ABN 82 009 027 178

Interim Report

For the half-year ended 31 December 2016

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# Datetix Group Ltd

## Directors' Report – 31 December 2016

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The Directors of Datetix Group Ltd (the "Company") submit herewith the condensed interim Financial Report of the Company and its controlled entities (the "Group") for the half-year ended 31 December 2016.

In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

### Directors

Details of the Directors of the Company in office at any time during or since the end of the half year end at the date of this report are:

Anthony Harris	Chairman and Non-Executive Director
Michael Ye	Executive Director
	Chief Executive Officer
Leigh Kelson	Non-Executive Director
Zhixian (Claire) Lin	Non-Executive Director (resigned on 12 December 2016)

### Company Secretaries

Matthew Foy	Joint Company Secretary
Daniel Smith	Joint Company Secretary

### Principal activities

The principal continuing activities of the Group were:

- Dating Services: Provision of social and dating product and services, including the Datetix and Lovestruck application, personalised matchmaking services and member events
- Enterprise Services: Provision of software solutions, including implementation and training support services; and

Historically the Group's principal activity has been the provision of software solutions, including design, implementation and support; and development of proprietary software applications.

**Operating Results and Financial Position**

Below is a summary of the operating results and financial position for the period:

	Half Year 2016 \$	Half Year 2015 \$
<b>Continuing activities</b>		
Revenue	769,845	114,546
Net (Loss) from continued operations	(2,025,319)	(987,847)
<b>Discontinued activities</b>		
Revenue	1,157	444,801
Net Profit from discontinued operations	1,157	73,517

The key drivers of the operating results for the half year ended 31 December 2016 were revenue generated from subscription income of Lovestruck Limited and the matchmaking business. The increase in losses for the period, when compared to the prior year, were associated with costs of the Lovestruck acquisition, research and development, marketing strategy and executive salaries, to support and implement the strategy of the Group.

**Significant changes in the state of affairs**

On 31 July 2016, the Group completed the acquisition of 100% of the share capital of Lovestruck Limited, a leading premium online dating platform for serious long-term relationships. The consideration paid as part of the acquisition is detailed in Note 3 to the interim financial report, and comprises of both a cash component and an equity component, as well as a contingent earn out amount.

On 19 December 2016, the Group completed the acquisition of 100% of the share capital of Noonwoon Co., Ltd, a Thailand based dating company with a dating application focus on serious dating. The consideration paid as part of the acquisition is detailed in Note 3 to the interim financial report, and consisted entirely of equity securities, escrowed for a period of 24 months from the date of settlement.

The Group also completed a capital raising through a private placement on 5 December 2016. As part of the placement, the Group issued 5,175,295 ordinary shares at a price of \$0.34 per share, raising a total of \$1,759,600 (prior to costs). The Group intends on using the proceeds of the placement to expand its product portfolio across Southeast Asia and Greater China.

Enverro Inc., the company incorporated in U.S.A. and dormant during the year dissolved on 26 October 2016.

There were no other significant changes in the state of affairs of the Group during the half-year ended 31 December 2016.

### **After Balance Date Events**

The Board are not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in subsequent financial years.

### **Rounding of amounts to nearest dollars**

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' Report and in the Financial Report have been rounded to the nearest dollar.

### **Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* in relation to the review for the half-year is set out on page 6.

Signed in accordance with a resolution of the Directors made pursuant to s.298(2) of the *Corporations Act 2001*.



**Michael Ye**

Director

Hong Kong

27 February 2017

**AUDITOR'S INDEPENDENCE DECLARATION  
TO THE DIRECTORS OF DATETIX GROUP LTD  
ABN 82 009 027 178**

In relation to the independent auditor's review for the half-year ended 31 December 2016, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Datetix Group Ltd and the entities it controlled during the period.



S M WHIDDETT  
Partner

PITCHER PARTNERS  
Sydney

27 February 2017

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPRENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Note	31 Dec 2016 \$	31 Dec 2015 \$
Revenue from continuing operations			
Enterprise Services		18,939	27,264
Dating Services		732,146	19,444
Interest Income		18,636	22,352
	2	<u>769,721</u>	<u>69,060</u>
Other Income		124	45,486
Expenses			
Auditing and accounting fees		66,247	51,687
Consulting fees		107,742	208,994
Depreciation and amortisation		45,152	28,256
Employee benefits expense - SG&A		795,391	297,371
Employee benefits expense - R&D		210,674	-
Event expenses		149,548	-
Finance costs		38,386	2,913
Marketing expenses		1,177,613	139,285
Office Rent		94,506	-
Other expenses		67,974	132,245
Payment process fees		12,174	-
Recruitment expenses		2,183	-
Research & Development		8,973	53,459
Software expenses		53,162	-
Transaction cost on acquisition		22,859	185,295
Travel expenses		8,346	2,888
Foreign exchange gains and losses		<u>(65,766)</u>	<u>-</u>
		2,795,164	1,102,393
Loss before income tax		<u>(2,025,319)</u>	<u>(987,847)</u>
Income tax		-	-
Loss for the half-year from continuing operations		<u>(2,025,319)</u>	<u>(987,847)</u>
Profit from Discontinuing operations		1,157	73,517
Loss for the half-year		<u>(2,024,162)</u>	<u>(914,330)</u>
Other comprehensive income for the half-year			
Exchange difference on conversion of foreign operations		(85,966)	2,683
Total Comprehensive Loss for the half-year		<u>(2,110,128)</u>	<u>(911,647)</u>
Earnings per share for loss from continuing operations attributable to the ordinary equity holders of the Company		Cents	Cents
Basic (loss) per share		(6.4)	(7.5)
Diluted (loss) per share		(6.4)	(7.5)
Earnings per share for loss attributable to the ordinary equity holders of the Company		Cents	Cents
Basic (loss) per share		(6.7)	(6.9)
Diluted (loss) per share		(6.7)	(6.9)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2016

	Note	31 Dec 2016 \$	30 Jun 2016 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		2,650,545	2,634,671
Trade and other receivables		87,165	9,432
Other assets		71,784	58,353
<b>Total Current Assets</b>		<b>2,809,494</b>	<b>2,702,456</b>
<b>Non-current assets</b>			
Property, plant and equipment		43,581	43,934
Intangible assets	4	7,099,540	5,831,775
<b>Total Non-Current Assets</b>		<b>7,143,121</b>	<b>5,875,709</b>
<b>Total assets</b>		<b>9,952,615</b>	<b>8,578,165</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		1,170,448	286,243
Borrowings		14,177	17,508
<b>Total Current liabilities</b>		<b>1,184,625</b>	<b>303,751</b>
<b>Non-current liabilities</b>			
Borrowings		-	-
<b>Total Non-Current liabilities</b>		<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>1,184,625</b>	<b>303,751</b>
<b>Net assets</b>		<b>8,767,990</b>	<b>8,274,414</b>
<b>EQUITY</b>			
Contributed equity	5	16,154,743	13,565,617
Reserves	6	1,376,809	1,448,197
Accumulated losses		(8,763,562)	(6,739,400)
<b>Total Equity</b>		<b>8,767,990</b>	<b>8,274,414</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Contributed equity	Share based payments reserve	Accumulated losses	Foreign currency translation reserve	Total equity
	\$	\$	\$	\$	\$
Balance at 1 July 2015	5,868,520	234,970	(4,587,725)	(6,862)	1,508,903
Loss for the year	-	-	(914,330)	-	(914,330)
Other comprehensive income	-	-	-	2,683	2,683
Total comprehensive income for the year	-	-	(914,330)	2,683	(911,647)
Transactions with owners in their capacity as owners					
Issue of shares	8,039,900	-	-	-	8,039,900
Cost of share issues	(331,289)	-	-	-	(331,289)
Share based payments expense on security granted for:					
* capital raising fee	(11,514)	11,514	-	-	-
* employee services	-	1,128,774	-	-	1,128,774
* director services	-	11,514	-	-	11,514
* business combination	-	15,076	-	-	15,076
	7,697,097	1,166,878	-	-	8,863,975
Balance at 31 December 2015	13,565,617	1,401,848	(5,502,055)	(4,179)	9,461,231
Balance at 1 July 2016	13,565,617	1,449,977	(6,739,400)	(1,780)	8,274,414
Loss for the year	-	-	(2,024,162)	-	(2,024,162)
Other comprehensive income	-	-	-	(85,966)	(85,966)
Total comprehensive income for the year	-	-	(2,024,162)	(85,966)	(2,110,128)
Transactions with owners in their capacity as owners					
Issue of shares for					
* Cash	1,759,600	-	-	-	1,759,600
* business combination	970,000	-	-	-	970,000
Cost of share issues	(140,474)	-	-	-	(140,474)
Share based payments expense on security granted for:					
* capital raising fee	-	-	-	-	-
* employee services	-	14,578	-	-	14,578
* director services	-	-	-	-	-
* business combination	-	-	-	-	-
	2,589,126	14,578	-	-	2,603,704
Balance at 31 December 2016	16,154,743	1,464,555	(8,763,562)	(87,746)	8,767,990

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	31 Dec 2016 \$	31 Dec 2015 \$
<b>Cash flows from operating activities</b>		
Receipts from customers	923,173	612,609
Payments to suppliers and employees	(2,407,693)	(1,623,599)
Other revenue	124	16,807
Interest received	21,207	24,633
Interest and other costs of finance paid	-	(650)
<b>Net cash (outflow) from operating activities</b>	<b>(1,463,189)</b>	<b>(970,200)</b>
<b>Cash flows from investing activities</b>		
Payments for property plant and equipment	(7,519)	(16,258)
Proceeds from sales of vehicles	-	16,098
Payment to acquire business	(350,038)	-
Transaction cost in business combination	(17,301)	-
Cash acquired in business combination	238,292	311,896
<b>Net cash (outflow)/inflow from investing activities</b>	<b>(136,566)</b>	<b>311,736</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of shares	1,759,600	3,000,000
Share issue costs	(140,474)	(331,289)
Repayment of borrowings	(3,497)	(2,893)
<b>Net cash inflow from financing activities</b>	<b>1,615,629</b>	<b>2,665,818</b>
<b>Net increase in cash and cash equivalents</b>	<b>15,874</b>	<b>2,007,354</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>2,634,671</b>	<b>1,622,226</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>2,650,545</b>	<b>3,629,580</b>

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.*



**NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS**

**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**1. (a) BASIS OF PREPARATION**

These condensed interim financial statements for the half year reporting period ended 31 December 2016 have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standard AASB134 '*Interim Financial Reporting*'. The interim financial statements reflect the operations and performance for the Company and its controlled entities as a consolidated group (the "Group").

These interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report of the Group for the year ended 30 June 2016 and considered together with any public announcements made by Datetix Group Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The interim financial statements have been prepared on an accrual basis, and are based on historical costs modified by the revaluation of selected financial assets and liabilities for which the fair value basis of accounting has been applied.

The interim financial statements were authorised for issue by the Board of Directors on 27 February 2017.

Except as described below, the accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

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

*Rounding of Amounts*

In accordance with ASIC Corporation (rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the Directors' Report and the Financial Report have been rounded to the nearest dollar.

**(b) GOING CONCERN**

Although the Group incurred a loss of \$2,024,162 for the half year, as well as incurring net cash outflows from operating activities of \$1,463,189, the half year report has been prepared on the going concern basis as the directors are of the opinion that the company has sufficient financial resources to fund its activities in the short term.

The financial position of the company is underpinned by:

- positive net assets of \$8,767,990 as at 31 December 2016;
- cash and cash equivalents of \$2,650,545 as at 31 December 2016;
- expected cash inflows from matchmaking business;
- expected cash inflows from Lovestruck's existing subscriber base; and
- reduction of cash outflows by reducing spending on non-cash generating units

**NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS (continued)**

**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**2. OPERATING SEGMENT**

**Identification of reportable operating segments**

The consolidated entity is organised into three operating segments based on differences in products and services provided: Dating services, Enterprise services and Corporate.

The operating segments are based on the units identified in the operating reports reviewed by the Board and executive management who are identified as the Chief Operating Decision Makers (CODM) and that are used to make strategic decisions and in assessing performance.

The information reported is on a monthly basis.

*Type of products and services*

The principal products and services of each of these operating segments are as follows:

Dating Services	the online, events and matchmaking services in China, Hong Kong, Japan, Singapore, Thailand, United Kingdom
Enterprise Services	the licence and support services in Australia
Corporate	indirect expenses likes auditing and accounting fees, employee benefits expenses for G&A and R&D staffs, transaction costs, and office rent, etc.

**Major customers**

No single customer contributed 10% or more to the Group's external revenue during the half-years ended 31 December 2016 and 31 December 2015.

NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS (continued)

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

2. OPERATING SEGMENT (Continued)

Operating Segment Information

Half Year 31 December 2016	Dating Services \$	Enterprise Services \$	Corporate \$	Total \$
Revenue				
Sales to external customers	732,146	18,939	-	751,085
Other Revenue	-	-	124	124
Total segment revenue	732,146	18,939	124	751,209
Interest revenue				18,636
Total Revenue				769,844
EBITDA	(1,167,232)	(759)	(792,425)	(1,960,417)
Depreciation and amortisation				(45,152)
Interest revenue				18,636
Finance costs				(38,386)
Loss before income tax expense				(2,025,319)
Income tax expense				-
Loss after income tax expense				(2,025,319)
Half Year 31 December 2015	Dating Services \$	Enterprise Services \$	Corporate \$	Total \$
Revenue				
Sales to external customers	19,444	27,264	-	46,708
Other Revenue	-	-	45,486	45,486
Total segment revenue	19,444	27,264	45,486	92,193
Interest revenue				22,352
Total Revenue				114,545
EBITDA	(190,015)	(170,806)	(618,209)	(979,030)
Depreciation and amortisation				(28,256)
Interest revenue				22,352
Finance costs				(2,913)
Loss before income tax expense				(987,847)
Income tax expense				-
Loss after income tax expense				(987,847)

Revenue by Geographical area

The Group operates in 3 regions. The sales to external customers for each region is as follows:

	2016 \$	2015 \$
Oceania	18,939	27,264
Asia	573,051	19,444
Europe	159,095	-
	751,085	46,708

**NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS (continued)**

**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**3. BUSINESS COMBINATIONS**

On 31 July 2016 the Group announced that it had completed the acquisition of 100% share capital of Lovestruck Limited. Furthermore, on 19 December 2016 the Group had completed the acquisition of 100% share capital of Noonswoon Co., Ltd, the primary operating subsidiary of Noonswoon Inc. based in Thailand and all key intellectual property of Noonswoon Inc.

Each of the acquisitions support the Group's strategy of building dating services in Asia and Europe.

Goodwill arose in the acquisitions because the consideration paid for the combinations effectively included amounts in relation to the benefit of revenue growth and future market development. These benefits are not recognised separately from goodwill because they do not meet the recognition criteria for identifiable intangible assets.

None of the goodwill arising on the acquisitions is expected to be deductible for tax purposes.

**Lovestruck Limited**

The acquisition was completed for cash consideration of \$207,680 and upon the issue of 2,000,000 ordinary shares in Datetix Group Ltd valued at \$760,000 to the vendor. A contingent earn-out consideration of up to \$270,000 will be payable in two equal instalments upon Lovestruck reaching certain revenue milestones.

Lovestruck is a leading premium online dating platform for serious long-term relationships, currently operates primary in Hong Kong, Singapore and United Kingdom.

<b>Details of the acquisition are as follows:</b>	<b>Fair Value</b>
	\$
Cash and cash equivalents	236,802
Prepayments and deposits	34,903
Trade and other payables	(132,796)
Net tangible assets acquired	138,909
Goodwill	1,098,771
<b>Acquisition-date fair value of the total consideration transferred</b>	<b>1,237,680</b>
<b>Representing:</b>	
2,000,000 fully paid ordinary shares at a notional issue price of \$0.38 per share	760,000
Cash Consideration	207,680
Contingent Consideration	270,000
	<b>1,237,680</b>

NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS (continued)

FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

3. BUSINESS COMBINATIONS (continued)

Noonswoon Inc.

The acquisition was completed upon issue of 700,000 ordinary shares in Datetix Group Ltd, valued at \$210,000 to the vendor.

Noonswoon is a pioneering dating company operated in Thailand. The company's primary product is a mobile app targeting people who are serious daters.

Details of the acquisition are as follows:	Fair Value
	\$
Cash and cash equivalents	5,067
Goodwill	204,933
Acquisition-date fair value of the total consideration transferred	<u>210,000</u>
Representing:	
700,000 fully paid ordinary shares at a notional issue price of \$0.30 per share	<u>210,000</u>

4. INTANGIBLE ASSETS

	31-Dec-16 \$	30-Jun-16 \$
Goodwill	6,961,772	5,658,068
Less: Impairment expense	-	-
	<u>6,961,772</u>	<u>5,658,068</u>
Website and Platform - at cost	125,787	125,787
Less: Accumulated Amortisation	(45,423)	(24,459)
	<u>80,364</u>	<u>101,328</u>
APPS - at cost	53,909	53,909
Less: Accumulated Amortisation	(19,467)	(10,482)
	<u>34,442</u>	<u>43,427</u>
Brand - at cost	35,940	35,940
Less: Accumulated Amortisation	(12,978)	(6,988)
	<u>22,962</u>	<u>28,952</u>
	<u>7,099,540</u>	<u>5,831,775</u>

Reconciliations

	Goodwill	Website & Platform	APPS	Brand	Total
	\$	\$	\$	\$	\$
Carrying amount at beginning	5,658,068	101,328	43,427	28,952	5,831,775
Additions through business combinations	1,303,704	-	-	-	1,303,704
Impairment of assets	-	-	-	-	-
Amortisation expense	-	(20,964)	(8,985)	(5,990)	(35,939)
Carrying amount at end	<u>6,961,772</u>	<u>80,364</u>	<u>34,442</u>	<u>22,962</u>	<u>7,099,540</u>

NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS (continued)  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

5. CONTRIBUTED EQUITY

	NUMBER OF SHARES		SHARE CAPITAL	
	31-Dec-16	30-Jun-16	31-Dec-16	30-Jun-16
			\$	\$
Ordinary shares - fully paid (no par value)	36,936,841	29,061,546	16,154,743	13,565,617
Total Share Capital			16,154,743	13,565,617

Movements in ordinary share capital:

DETAILS	ORDINARY SHARES	Issue Price \$	Total \$
	No.		
Balance at 01-Jul-15	9,004,546		5,868,520
Issue of Shares as consideration for business combination			
- Datetix Limited	12,500,000	0.40	5,000,000
Issue of Shares as consideration for investor relations services	57,000	0.70	39,900
Issue of Shares for cash	7,500,000	0.40	3,000,000
Cost of share issue	-	-	(331,289)
Share based payments expense on securities granted for capital raising fee	-	-	(11,514)
Balance at 30-Jun-16	29,061,546		13,565,617

DETAILS	ORDINARY SHARES	Issue Price \$	Total \$
	No.		
Balance 01-Jul-16	29,061,546		13,565,617
Issue of Shares as consideration for business combination			
- Lovestruck Limited (note i)	2,000,000	0.38	760,000
- Noonswoon Inc. (note ii)	700,000	0.30	210,000
Issue of Shares for cash	5,175,295	0.34	1,759,600
Cost of share issue	-	-	(140,474)
Balance at 31-Dec-16	36,936,841		16,154,743

Note:

- (i) 2,000,000 ordinary shares were issued at \$0.38 (38 cents) per share as part of consideration for the acquisition of Lovestruck Limited.  
(ii) 700,000 ordinary shares were issued at \$0.30 (30 cents) per share as consideration for the acquisition of Noonswoon Inc.

Terms and Conditions of Issued Capital

**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 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.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

**Shares in escrow**

There were 14,450,000 shares in escrow at 31 December 2016 (30 June 2016: 13,992,695).

**Options**

There were 1,759,000 shares under option as at 31 December 2016 (30 June 2016: 3,095,504).

**NOTES TO AND FORMING PART OF FINANCIAL STATEMENTS (continued)**

**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

**6. RESERVES**

	31-Dec-16 \$	30-Jun-16 \$
<b>Share-based payment reserve</b>		
Balance at the beginning of the year	1,449,977	234,970
Movement during the year	14,578	1,215,007
Balance at the end of the year	<u>1,464,555</u>	<u>1,449,977</u>
<b>Foreign Currency Translation Reserve</b>		
Balance at the beginning of the year	(1,780)	(6,862)
Movement during the year	(85,966)	5,082
Balance at the end of the year	<u>(87,746)</u>	<u>(1,780)</u>
<b>Total reserves</b>	<u><u>1,376,809</u></u>	<u><u>1,448,197</u></u>

**Nature and Purpose of Reserves**

***Share-Based Payment Reserve***

This reserve is used to recognise the expense of the fair value at grant date of options granted to employees but not exercised and to recognise the fair value of shares issued to an employee under a limited recourse loan which is not yet due to be repaid.

***Foreign Currency Translation Reserve***

This reserve is used to record the exchange differences arising on translation of foreign operations where the foreign operations functional currency is different from the Group's presentation currency.

**7. CONTROLLED ENTITIES**

During the period, the Group acquired 100% of the ordinary share capital of Lovestruck Limited and Noonswoon Co., Ltd. The results of these entities has been included in the Group's results from the date of settlement for each acquisition.

Enverro Inc., the company incorporated in U.S.A and dormant during the year dissolved on 26 October 2016.

**8. EVENTS OCCURRING AFTER REPORTING DATE**

The Board are not aware of any matter or circumstance not otherwise dealt with in these financial statements that has significantly or may significantly affect the operation of the Group, the results of these operations, or the state of affairs of the Group in subsequent financial years.

**9. CONTINGENT LIABILITIES**

There are no matters which the Group consider would result in a contingent liability as at the date of this report.

## **DIRECTORS' DECLARATION**

In the Directors' opinion:

- (a) the interim financial statements and notes set out on pages 7 - 17 are in accordance with the *Corporations Act 2001*, including:
  - i) complying with Australian Accounting Standard AASB:134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements, and
  - ii) giving a true and fair view of the Group's financial position as at 31 December 2016 and of its performance for the half-year ended on that date,
- (b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

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



**Michael Ye**

Director

Hong Kong

27 February 2017



**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF DATETIX GROUP LTD  
ABN 82 009 027 178**

**Report on the Half-year Financial Report**

We have reviewed the accompanying half-year financial report of Datetix Group Ltd and its Controlled Entities ("the consolidated entity") which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of significant accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

**Directors' Responsibility for the Half-year Financial Report**

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

**Auditor's Responsibility**

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: "*Review of a Financial Report Performed by the Independent Auditor of the Entity*", in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporation Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134: "*Interim Financial Reporting*" and the *Corporations Regulations 2001*. As the auditor of Datetix Group Ltd and the entities it controlled, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of the half-year financial report consists of making enquiries, primarily of persons responsible for the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF DATETIX GROUP LTD  
ABN 82 009 027 178**

**Independence**

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

**Conclusion**

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

- (i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and *Corporations Regulations 2001*.



S M WHIDDETT  
Partner

27 February 2017



PITCHER PARTNERS  
Sydney

## **Corporate Directory**

### **Board of Directors**

Anthony Harris, Non-executive Chairman

Michael Ye, Chief Executive Officer

Leigh Kelson, Non-executive Director

Zhixian (Claire) Lin, Non-executive Director (resigned 12 December 2016)

### **Company Secretary**

Minerva Corporate Pty Ltd

-Daniel Smith

-Matthew Foy

### **Registered Office**

Ground Floor, 1 Centro Avenue

Subiaco WA 6007, Australia

### **Auditor**

Pitcher Partners

Level 22, MLC Centre

19 Martin Place

Sydney NSW 2000, Australia

Telephone: (02) 9221 2099

Facsimile: (02) 9223 1762

### **Share Registry**

Boardroom Pty Ltd

Level 12, 225 George Street

Sydney NSW 2000

Telephone: (02) 9290 9600

Facsimile: (02) 9279 0664

### **Securities Exchange**

Australian Securities Exchange (ASX)

ASX Code: DTX