

ASX APPENDIX 4D

TRANSCENDENCE TECHNOLOGIES LIMITED

ABN 57 096 781 716

RESULTS FOR ANNOUNCEMENT TO THE MARKET FOR THE YEAR ENDED 31 DECEMBER 2017

(Previous corresponding period is the period ended 31 December 2016)

KEY INFORMATION	31-Dec-17 \$	31-Dec-16 \$	% Change
Revenue from ordinary activities	24,887	6,978	176%
Loss from ordinary activities after tax attributable to members	(301,664)	(302,683)	-
Net loss attributable to members	(301,664)	(302,683)	-

DIVIDEND INFORMATION

No dividend has been proposed or declared.

NET TANGIBLE ASSETS PER SECURITY	31-Dec-17	31-Dec-16
Net tangible assets per security	0.01	0.02

EARNINGS PER SHARE	31-Dec-17 Cents	31-Dec-16 Cents
Basic earnings per share	(0.17)	(0.18)
Diluted earnings per share	(0.17)	(0.18)

CONTROL GAINED OR LOST OVER ENTITIES IN THE PERIOD

There have been no gains or losses of control over entities in the period ended 31 December 2017.

Refer to the Directors Report for an explanation of the operational and financial results of the Company.

This report is based on, and should be read in conjunction with, the attached financial report for the year ended 31 December 2017 for Transcendence Technologies Limited, which has been audited by Hall Chadwick.



TRANSCENDENCE TECHNOLOGIES LIMITED

ABN 57 096 781 716

**FINANCIAL REPORT
FOR THE HALF-YEAR ENDED
31 DECEMBER 2017**

TRANSCENDENCE TECHNOLOGIES LIMITED

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TRANSCENDENCE TECHNOLOGIES LIMITED

DIRECTORS' REPORT

The Directors of Transcendence Technologies Limited ("TTL" or "the Company") present their report, together with the financial statements on the consolidated entity consisting of Transcendence Technologies Limited and its controlled entities for the half-year ended 31 December 2017 ("the Period").

It is recommended that the Directors' Report be read in conjunction with the annual financial statements for the year ended 30 June 2017 and considered together with any public announcement made by the Company during the Period and up to the date of this report.

1. DIRECTORS

The names of the Company's Directors who held office during the Period and until the date of this report are set out below. Directors were in office for this entire Period unless otherwise stated.

Director	Position	Duration of Appointment
Peter Wall	Non-Executive Chairman	Appointed 6 October 2015
Edwin Bulseco	Non-Executive Director	Appointed 8 June 2016
Jeremy King	Non-Executive Director	Appointed 8 June 2016

2. REVIEW OF OPERATIONS AND ACTIVITIES

E-Collate

The Company is currently developing an innovative product (**E-Collate**) for document aggregation to streamline the administration of individual Self-Managed Superannuation Funds (**SMSF**). The Company's unique technology uses proprietary software and interfaces to enable rapid arrangement, secure storage and efficient export of compliance sensitive documentation.

During the period the Company completed its launch of the E-Collate web platform for individuals to upload, manage and export document collections for their SMSF accounting and audit service providers (**SMSF Providers**). A quota for cloud storage of up to 3GB per user is in place and sign-up & operation of the platform is fully self-service during ongoing testing and field trials.

The company is also pleased to report substantial progress towards the next major technical milestone for E-Collate and potential entry into the Business to Business (**B2B**) market. Some prototype features are complete and initial testing is underway for an automated bulk document request and handover mechanism for use by SMSF Providers. This feature will also increase scalability of the E-Collate offering by streamlining administration of user account settings and template document collection structures.

The Company has continued discussions with potential B2B and **B2C** (Business to Consumer) customers for ongoing input and response to the developments of the E-Collate software. Responses from these groups are very positive, although the Company will need to continue these relationships to translate this interest into positive marketplace outcomes. The Company aims to secure pilot sites for future phases of the software development in both the B2B and B2C sectors.

The Board will continue to review the progress of the Pilot Program before authorising transition of E-Collate to a full scale commercial offering.

TRANSCENDENCE TECHNOLOGIES LIMITED

DIRECTORS' REPORT

PrimeX

During the period, the Company signed a Collaboration Agreement ("**Agreement**") with Prime X Connect Pty Ltd ("**PrimeX**").

Transcendence's E-Collate solution provides a cloud-based service which enables customers to upload, arrange and manage a range of compliance documentation. PrimeX is a digital marketplace for wholesale red meat that connects International buyers and sellers so they can negotiate and trade securely and efficiently.

The respective boards of Transcendence and PrimeX believe that technology synergies may exist and have agreed to explore how the E-Collate software can be used to provide a more efficient workflow. E-Collate's self-monitoring of document collection automates the request for and collection of documents at each stage of order processing to streamline the creation, management and fulfilment of orders.

The Agreement will see both companies work together to evaluate the feasibility of integrating both platforms and the estimated cost should the project move to a commercial rollout.

As part of the Collaboration Agreement, Transcendence has invested \$200,000 towards the initial project assessment by way of subscription to an unsecured convertible note (**Convertible Note**) issued by PrimeX. The Company shall subscribe for 2,000 Convertible Notes, the principal terms of which are summarised in the announcement released to the ASX on 20 November 2017.

3. FINANCIAL RESULTS

The financial results of the Company for the half year ended 31 December 2017 are:

	31-Dec-17	30-Jun-17
Cash and cash equivalents (\$)	1,995,976	2,522,472
Net assets (\$)	2,125,743	2,427,407

	31-Dec-17	31-Dec-16
Revenue (\$)	24,887	6,978
Net loss after tax (\$)	(301,664)	(302,683)
Loss per share (cents)	(0.17)	(0.18)

4. DIVIDENDS

No dividends have been paid or declared by the Group since the end of the previous financial year.

The Director do not propose to declare or pay any dividend for the half-year ended 31 December 2017.

5. EVENTS OCCURRING AFTER REPORTING DATE

On 26 February 2018, the Company appointed DigitalX Limited (ASX: DCC) as Blockchain Advisor. DigitalX will review the Company current product offerings and provide Blockchain consulting services, with a focus on how distributed ledger technology could be integrated into Transcendence's current business model.

Other than the above, there are no matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

TRANSCENDENCE TECHNOLOGIES LIMITED

DIRECTORS' REPORT

6. AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration under s 307C of the Corporations Act 2001 is set out on page 6 for the half-year ended 31 December 2017.

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



Peter Wall
Non-Executive Chairman

28 February 2018

TRANSCENDENCE TECHNOLOGIES LIMITED
ABN 57 096 781 716

SYDNEY
Level 40
2 Park Street
Sydney NSW 2000
Australia

GPO Box 3555
Sydney NSW 2001

Ph: (612) 9263 2600
Fx: (612) 9263 2800

AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF TRANSCENDENCE TECHNOLOGIES LIMITED

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2017 there have been no contraventions of:

- i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. any applicable code of professional conduct in relation to the review.

Nell Chadwick

HALL CHADWICK
Level 40, 2 Park Street
Sydney, NSW 2000

G Webb

GRAHAM WEBB

Partner

Dated: 28 February 2018

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TRANSCENDENCE TECHNOLOGIES LIMITED

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Note	31-Dec-17 \$	31-Dec-16 \$
Interest income	3	24,887	6,978
Compliance and regulatory expenses		(30,805)	(40,880)
Consulting and corporate expenses		(71,639)	(115,339)
Employee and director benefits expense		(128,220)	(127,325)
Finance costs		(125)	(170)
Marketing costs		(41,718)	-
Other expenses		(24,456)	(15,279)
Research expenses		(29,588)	(10,668)
Loss before income tax for the period		(301,664)	(302,683)
Income tax expense		-	-
Loss after income tax for the period		(301,664)	(302,683)
Total comprehensive loss for the year attributable to members of Transcendence Technologies Limited		(301,664)	(302,683)
Loss per share for the year attributable to the members of Transcendence Technologies Limited:			
Basic and diluted loss per share (cents)		(0.17)	(0.18)

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

TRANSCENDENCE TECHNOLOGIES LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

	Note	31-Dec-17 \$	30-Jun-17 \$
ASSETS			
Current Assets			
Cash and cash equivalents		1,995,976	2,522,472
Trade and other receivables		18,405	14,767
Total Current Assets		2,014,381	2,537,239
Non-Current Assets			
Plant and equipment		1,583	3,169
Financial assets	4	200,000	-
Total Non-Current Assets		201,583	3,169
TOTAL ASSETS		2,215,964	2,540,408
LIABILITIES			
Current Liabilities			
Trade and other payables		76,907	102,207
Provisions		13,314	10,794
Total Current Liabilities		90,221	113,001
TOTAL LIABILITIES		90,221	113,001
NET ASSETS		2,125,743	2,427,407
EQUITY			
Issued capital		14,471,769	14,471,769
Reserves		199,349	199,349
Accumulated losses		(12,545,375)	(12,243,711)
TOTAL EQUITY		2,125,743	2,427,407

The Consolidated Statement of Financial Position should be read in conjunction with the notes to the financial statements.

TRANSCENDENCE TECHNOLOGIES LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

	Issued Capital \$	Issued Options \$	Accumulated Losses \$	Total Equity \$
At 1 July 2017	14,471,769	199,349	(12,243,711)	2,427,407
Loss for the period	-	-	(301,664)	(301,664)
Total comprehensive loss for the year after tax	-	-	(301,664)	(301,664)
Transactions with owners in their capacity as owners:				
Issue of share capital	-	-	-	-
Balance at 31 December 2017	14,471,769	199,349	(12,545,375)	2,125,743
At 1 July 2016	14,441,209	100,000	(11,590,912)	2,950,297
Loss for the period	-	-	(302,683)	(302,683)
Total comprehensive loss for the year after tax	-	-	(302,683)	(302,683)
Transactions with owners in their capacity as owners:				
Issue of share capital	-	-	-	-
Share issue costs refund	2,060	-	-	2,060
Options issued	-	99,349	-	99,349
Balance at 31 December 2016	14,443,269	199,349	(11,893,595)	2,749,023

The Consolidated Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

TRANSCENDENCE TECHNOLOGIES LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 31 DECEMBER 2017

	31-Dec-17	31-Dec-16
	\$	\$
Cash flows used in operating activities		
Payment to suppliers and employees	(351,383)	(517,505)
Interest received	24,887	6,978
Net cash flows used in operating activities	(326,496)	(510,527)
Cash flows used in investing activities		
Purchase of property plant & equipment	-	(875)
Payment of convertible note	(200,000)	-
Net cash flows used in investing activities	(200,000)	(875)
Cash flows from financing activities		
Proceeds from issue of shares	-	-
Share issue costs	-	(237,948)
Proceeds from unissued shares, net of transactions costs	-	99,349
Net cash flows provided by financing activities	-	(138,599)
Net decrease in cash and cash equivalents	(526,496)	(650,001)
Cash and cash equivalents at the beginning of the period	2,522,472	3,480,902
Cash and cash equivalents at the end of the period	1,995,976	2,830,901

The Consolidated Statement of Cash Flows should be read in conjunction with the notes to the financial statements.

TRANSCENDENCE TECHNOLOGIES LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose interim financial statements for half-year reporting period ended 31 December 2017 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: Interim Financial Reporting. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Transcendence Technologies Limited ("the Group"). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2017, together with any public announcements made during the following half-year.

Significant accounting judgments and key estimates

The preparation of the interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year financial report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial report for the year ended 30 June 2017.

(a) Accounting Policies

The accounting policies are consistent with those applied in the previous financial year and those of the corresponding interim reporting period.

(b) Adoption of new and revised accounting standards

In the half year ended 31 December 2017, the Group has reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for annual reporting periods beginning on or after 1 July 2017. It has been determined by the Group that, there is no impact, material or otherwise, of the new and revised standards and interpretations on its business and therefore no change is necessary to the Group accounting policies.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the consolidated entity.

(c) Going Concern

The half-year financial statements have been prepared on a going concern basis, which contemplates continuity of normal trading activities and realisation of assets and settlement of liabilities in the normal course of business.

The Consolidated Entity has incurred a net loss after tax of \$301,664 (2016: loss of \$302,683) and net cash outflows used in operations of \$326,496 (2016: outflows of \$510,527).

The ability of the Consolidated Entity to continue as a going concern is dependent on the Consolidated Entity receiving revenues from the development of E-Collates IT software platform and being able to raise additional funds as required to fund ongoing technology development and for working capital.

The Consolidated Entity's budget for the period to February 2019 indicates that the Consolidated Entity will have sufficient cash to continue the development of E-Collate's software platform without raising additional funds.

TRANSCENDENCE TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

NOTE 2: OPERATING SEGMENTS

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

The Group is currently operating in one business segment being an administrative entity in the technology sector and one geographic segment being Australia.

NOTE 3: REVENUE

The following revenue items are relevant in explaining the financial performance for the interim period:

	31-Dec-17 \$	31-Dec-16 \$
(a) Revenue		
Interest received	24,887	6,978
	24,887	6,978

NOTE 4: FINANCIAL ASSETS

During the period, the Company signed a Collaboration Agreement (Agreement) with Prime X Connect Pty Ltd (PrimeX). As part of the Agreement, Transcendence has invested \$200,000 towards the initial project assessment by way of subscription to an unsecured convertible note (Convertible Note) issued by PrimeX. The Convertible Notes will be automatically redeemed on 30 April 2019 (Maturity Date) if they have not been converted or otherwise redeemed prior to the Maturity Date.

	31-Dec-17 \$	30-Jun-17 \$
Convertible note receivable – PrimeX	200,000	-
	200,000	-

TRANSCENDENCE TECHNOLOGIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

NOTE 5: CONTINGENCIES

There are no known contingent liabilities or contingent assets at reporting date.

NOTE 6: RELATED PARTY TRANSACTIONS

During the period, the Group incurred legal fees, payable to Steinepreis Paganin (a company of which Peter Wall is a Partner). The Group also incurred consulting fees, payable to Mirador Corporate Pty Ltd ("Mirador") and Grange Consulting Pty Ltd ("Grange"). Mirador is a company of which Jeremy King is a Director and Grange is a company of which Jeremy King was previously a Director.

The following transactions occurred with related parties:

	31-Dec-17	31-Dec-16
	\$	\$
Steinepreis Paganin	6,514	47,040
Mirador Corporate Pty Ltd	62,625	43,625
Grange Consulting Pty Ltd	-	24,698

Consultant fees paid to associated entities were on normal commercial terms.

There have been no other changes to related parties since the 30 June 2017 annual report.

NOTE 7: EVENTS AFTER THE END OF THE INTERIM PERIOD

On 26 February 2018, the Company appointed DigitalX Limited (ASX: DCC) as Blockchain Advisor. DigitalX will review the Company current product offerings and provide Blockchain consulting services, with a focus on how distributed ledger technology could be integrated into Transcendence's current business model.

Other than the above, there are no matters or circumstances which have arisen since the end of the half-year which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in subsequent financial periods.

TRANSCENDENCE TECHNOLOGIES LIMITED

DIRECTORS' DECLARATION FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

In accordance with a resolution of the directors of Transcendence Technologies Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 7 to 13 are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - b. giving a true and fair view of the Company's financial position as at 31 December 2017 and of its performance for the half-year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.



Peter Wall
Non-Executive Chairman
28 February 2018

TRANSCENDENCE TECHNOLOGIES LIMITED
ABN 57 096 781 716

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
TRANSCENDENCE TECHNOLOGIES LIMITED**

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

GPO Box 3555
Sydney NSW 2001

Ph: (612) 9263 2600
Fx: (612) 9263 2800

Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Transcendence Technologies Limited, which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of Transcendence Technologies Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410: *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of Transcendence Technologies Limited's financial position as at 31 December 2017 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 Transcendence Technologies Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

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

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TRANSCENDENCE TECHNOLOGIES LIMITED
ABN 57 096 781 716

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
TRANSCENDENCE TECHNOLOGIES LIMITED**

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 Transcendence Technologies Limited is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of Transcendence Technologies Limited's financial position as at 31 December 2017 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Hall Chadwick

HALL CHADWICK
Level 40, 2 Park Street
SYDNEY NSW 2000

Graham Webb

GRAHAM WEBB

Partner

Dated: 28 February 2018