

## 1. Company details

Name of entity:	REFFIND Ltd
ABN:	64 600 717 539
Reporting period:	For the year ended 30 June 2019
Previous period:	For the year ended 30 June 2018

## 2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	39.9% to	127,022
Loss from ordinary activities after tax attributable to the owners of REFFIND Ltd	down	20.9% to	(993,582)
Loss for the year attributable to the owners of REFFIND Ltd	down	20.9% to	(993,582)

### Dividends

There were no dividends paid, recommended or declared during the current financial period.

### Comments

The loss for the group after providing for income tax amounted to \$993,582 (30 June 2018: \$1,255,853).

The group has a targeted strategic focus on cloud based SaaS solutions in the Employee Rewards, Recognition and Loyalty space and other supply chain stakeholders. In addition the group has identified that major un-met opportunities exist in the Employee Rewards, Recognition and Loyalty space. The WooBoard platform provides the group with a strong offering and presence in this market and maximising the WooBoard offering and market opportunity are key priorities.

The attached financial statements detail the performance and financial position of the group for the financial year ended 30 June 2019.

## 3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>0.69</u>	<u>0.88</u>

## 4. Control gained over entities

Not applicable.

## 5. Loss of control over entities

Not applicable.

## 6. Dividends

### Current period

There were no dividends paid, recommended or declared during the current financial period.

### Previous period

There were no dividends paid, recommended or declared during the previous financial period.

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## 7. Dividend reinvestment plans

Not applicable.

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## 8. Details of associates and joint venture entities

Not applicable.

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## 9. Foreign entities

*Details of origin of accounting standards used in compiling the report:*

Not applicable.

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## 10. Audit qualification or review

*Details of audit/review dispute or qualification (if any):*

The financial statements are in the process of being audited and an unqualified opinion, modified to include an emphasis of matter with respect to going concern, is expected to be issued.

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## 11. Attachments

*Details of attachments (if any):*

The Preliminary Financial Report of REFFIND Ltd for the year ended 30 June 2019 is attached.

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## 12. Signed

Signed  \_\_\_\_\_

Date: 30 August 2019

David Jackson  
Chairman  
Sydney

**REFFIND Ltd**

**ABN 64 600 717 539**

**Preliminary Financial Report - 30 June 2019**

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REFFIND Ltd  
Statement of profit or loss and other comprehensive income  
For the year ended 30 June 2019

**REFFIND**

	Note	Consolidated 2019 \$	2018 \$
<b>Revenue</b>	2	100,847	197,431
Other income	3	177,193	665,374
Interest revenue calculated using the effective interest method		26,175	13,749
<b>Expenses</b>			
Employee benefits expense		(282,658)	(479,780)
Administration expenses		(210,360)	(525,176)
Depreciation and amortisation expense		(7,910)	(20,528)
Advertising and marketing expenses		(68,837)	(143,281)
Professional and consulting expenses		(678,907)	(917,120)
Impairment of receivables		(7,150)	-
Other expenses		(41,975)	(46,522)
<b>Loss before income tax expense</b>		(993,582)	(1,255,853)
Income tax expense		-	-
<b>Loss after income tax expense for the year attributable to the owners of REFFIND Ltd</b>		(993,582)	(1,255,853)
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive income for the year attributable to the owners of REFFIND Ltd</b>		<u>(993,582)</u>	<u>(1,255,853)</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	11	(0.19)	(0.28)
Diluted earnings per share	11	(0.19)	(0.28)

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

	Note	Consolidated 2019 \$	2018 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	282,179	1,462,172
Trade and other receivables	5	95,399	85,288
Prepayments		28,116	1,201
Total current assets		<u>405,694</u>	<u>1,548,661</u>
<b>Non-current assets</b>			
Financial assets at fair value through profit or loss	6	3,281,201	3,112,273
Property, plant and equipment	7	-	7,910
Total non-current assets		<u>3,281,201</u>	<u>3,120,183</u>
<b>Total assets</b>		<u>3,686,895</u>	<u>4,668,844</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	8	145,338	116,251
Contract liabilities		2,027	5,098
Employee benefits		-	14,383
Total current liabilities		<u>147,365</u>	<u>135,732</u>
<b>Total liabilities</b>		<u>147,365</u>	<u>135,732</u>
<b>Net assets</b>		<u>3,539,530</u>	<u>4,533,112</u>
<b>Equity</b>			
Issued capital	9	16,131,818	16,131,818
Reserves		179,174	179,174
Accumulated losses		(12,771,462)	(11,777,880)
<b>Total equity</b>		<u>3,539,530</u>	<u>4,533,112</u>

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

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2017	12,777,666	977,754	(11,320,607)	2,434,813
Loss after income tax expense for the year	-	-	(1,255,853)	(1,255,853)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(1,255,853)	(1,255,853)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 9)	3,354,152	-	-	3,354,152
Transfer of share-based payments to accumulated losses	-	(798,580)	798,580	-
Balance at 30 June 2018	<u>16,131,818</u>	<u>179,174</u>	<u>(11,777,880)</u>	<u>4,533,112</u>
Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2018	16,131,818	179,174	(11,777,880)	4,533,112
Loss after income tax expense for the year	-	-	(993,582)	(993,582)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(993,582)	(993,582)
Balance at 30 June 2019	<u>16,131,818</u>	<u>179,174</u>	<u>(12,771,462)</u>	<u>3,539,530</u>

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

	Note	Consolidated 2019 \$	2018 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		120,105	250,561
Payments to suppliers and employees (inclusive of GST)		<u>(1,302,098)</u>	<u>(2,195,999)</u>
		(1,181,993)	(1,945,438)
Interest received		-	2,490
Research and development and grant income		<u>2,000</u>	<u>406,572</u>
Net cash used in operating activities		<u>(1,179,993)</u>	<u>(1,536,376)</u>
<b>Cash flows from investing activities</b>			
Payments for investments		-	(2,880,170)
Proceeds from disposal of property, plant and equipment		<u>-</u>	<u>835</u>
Net cash used in investing activities		<u>-</u>	<u>(2,879,335)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	9	-	3,585,052
Share issue transaction costs	9	<u>-</u>	<u>(230,900)</u>
Net cash from financing activities		<u>-</u>	<u>3,354,152</u>
Net decrease in cash and cash equivalents		(1,179,993)	(1,061,559)
Cash and cash equivalents at the beginning of the financial year		<u>1,462,172</u>	<u>2,523,731</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>282,179</u></u>	<u><u>1,462,172</u></u>

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

## Note 1. Operating segments

### Identification of reportable operating segments

The group is organised into two operating segments: REFFIND and WooBoard Software as a Service products ('WooBoard'). These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews adjusted EBITDA (earnings before interest, tax, depreciation and amortisation adjusted for impairment of assets). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

### Major customers

During the year ended 30 June 2019, no customer (2018: nil) contributed more than 10% to the group's external revenue.

### Operating segment information

Consolidated - 2019	REFFIND \$	WooBoard \$	Total \$
<b>Revenue</b>			
Sales to external customers	8,500	92,347	100,847
Interest	26,175	-	26,175
<b>Total revenue</b>	<u>34,675</u>	<u>92,347</u>	<u>127,022</u>
<b>Adjusted EBITDA</b>	<u>(1,086,002)</u>	<u>74,155</u>	<u>(1,011,847)</u>
Depreciation and amortisation			(7,910)
Interest revenue			26,175
<b>Loss before income tax expense</b>			<u>(993,582)</u>
Income tax expense			-
<b>Loss after income tax expense</b>			<u>(993,582)</u>

Consolidated - 2018	REFFIND \$	WooBoard \$	Total \$
<b>Revenue</b>			
Sales to external customers	106,045	91,386	197,431
Interest	13,749	-	13,749
<b>Total revenue</b>	<u>119,794</u>	<u>91,386</u>	<u>211,180</u>
<b>Adjusted EBITDA</b>	<u>(1,332,121)</u>	<u>83,047</u>	<u>(1,249,074)</u>
Depreciation and amortisation			(20,528)
Interest revenue			13,749
<b>Loss before income tax expense</b>			<u>(1,255,853)</u>
Income tax expense			-
<b>Loss after income tax expense</b>			<u>(1,255,853)</u>

All assets and liabilities, including taxes are not allocated to the operating segments as they are managed on an overall group basis.



**Note 2. Revenue**

	<b>Consolidated 2019</b>	<b>2018</b>
	\$	\$
Rendering of services - subscription fees recognised over time	<u>100,847</u>	<u>197,431</u>

*Disaggregation of revenue*

All revenue from contracts with customers is recognised over time and in Australia. Revenue by product line is disclosed in note 1.

**Note 3. Other income**

	<b>Consolidated 2019</b>	<b>2018</b>
	\$	\$
Net foreign exchange gain	167,651	225,268
Research and development income	2,000	406,572
Reversal of expense for trade debtors previously written off	-	33,534
Other	7,542	-
Other income	<u>177,193</u>	<u>665,374</u>

**Note 4. Current assets - cash and cash equivalents**

	<b>Consolidated 2019</b>	<b>2018</b>
	\$	\$
Cash at bank	241,512	1,421,505
Cash on deposit	40,667	40,667
	<u>282,179</u>	<u>1,462,172</u>

**Note 5. Current assets - trade and other receivables**

	<b>Consolidated 2019</b>	<b>2018</b>
	\$	\$
Trade receivables	9,558	79,009
Less: Allowance for expected credit losses	-	(30,437)
	<u>9,558</u>	<u>48,572</u>
Other receivables	38,295	20,760
GST receivable	47,546	15,956
	<u>95,399</u>	<u>85,288</u>

**Note 6. Non-current assets - financial assets at fair value through profit or loss**

	Consolidated	
	2019	2018
	\$	\$
Designated at fair value through profit or loss:		
Investment in Loyal Corporation	<u>3,281,201</u>	<u>3,112,273</u>
<i>Reconciliation</i>		
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:		
Opening fair value	3,112,273	-
Additions	-	2,880,170
Foreign exchange movements	<u>168,928</u>	<u>232,103</u>
Closing fair value	<u>3,281,201</u>	<u>3,112,273</u>

Investment in Loyal Corporation represents the group's investments in Loyal Corporation ('Loyal'), a leading US based blockchain loyalty and rewards company. On 24 January 2018, the group invested a total of US\$2,300,000 in Loyal consisting of:

- US\$1,500,000 worth of Series A-3 preferred shares giving the group 4,670,714 shares or 9.38% equity interest in Loyal on a fully diluted basis; and
- US\$800,000 in convertible notes, convertible into Series A-3 preferred shares, on 24 January 2020. Interest is charged at 2.5% per annum.

During the year ended 30 June 2019, interest revenue totalling \$26,175 (31 June 2018: \$11,259) was recognised on the convertible note component of the investment in Loyal. As at 30 June 2019, no interest payment was received and interest receivable of \$37,434 (30 June 2018: \$11,259) is included in other receivables in note 5.

**Note 7. Non-current assets - property, plant and equipment**

	Consolidated	
	2019	2018
	\$	\$
Leasehold improvements - at cost	3,200	3,200
Less: Accumulated depreciation	<u>(3,200)</u>	<u>(3,200)</u>
	-	-
Computer equipment - at cost	61,876	61,876
Less: Accumulated depreciation	<u>(61,876)</u>	<u>(54,200)</u>
	-	7,676
Office furniture - at cost	4,420	4,420
Less: Accumulated depreciation	<u>(4,420)</u>	<u>(4,186)</u>
	-	234
	<u>-</u>	<u>7,910</u>

**Note 7. Non-current assets - property, plant and equipment (continued)**

*Reconciliations*

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

<b>Consolidated</b>	Leasehold improvements \$	Computer equipment \$	Office furniture \$	Total \$
Balance at 1 July 2017	1,336	25,664	33,484	60,484
Disposals	(1,336)	-	(30,710)	(32,046)
Depreciation expense	-	(17,988)	(2,540)	(20,528)
Balance at 30 June 2018	-	7,676	234	7,910
Depreciation expense	-	(7,676)	(234)	(7,910)
Balance at 30 June 2019	-	-	-	-

**Note 8. Current liabilities - trade and other payables**

	<b>Consolidated 2019 \$</b>	<b>2018 \$</b>
Trade payables	73,156	56,481
Accrued expenses	72,182	48,539
Other payables	-	11,231
	<u>145,338</u>	<u>116,251</u>

**Note 9. Equity - issued capital**

	<b>2019 Shares</b>	<b>Consolidated 2018 Shares</b>	<b>2019 \$</b>	<b>2018 \$</b>
Ordinary shares - fully paid	<u>515,500,000</u>	<u>515,500,000</u>	<u>16,131,818</u>	<u>16,131,818</u>

*Movements in ordinary share capital*

<b>Details</b>	<b>Date</b>	<b>Shares</b>	<b>\$</b>
Balance	1 July 2017	271,969,799	12,777,666
Issue of shares	13 September 2017	161,030,201	\$0.01 1,580,302
issue of shares	13 December 2017	82,500,000	\$0.02 2,004,750
Share issue transaction costs, net of tax		-	\$0.00 (230,900)
Balance	30 June 2018	<u>515,500,000</u>	<u>16,131,818</u>
Balance	30 June 2019	<u>515,500,000</u>	<u>16,131,818</u>

**Note 10. Equity - dividends**

There were no dividends paid, recommended or declared during the current or previous financial year.

**Note 11. Earnings per share**

	Consolidated 2019 \$	2018 \$
Loss after income tax attributable to the owners of REFFIND Ltd	<u>(993,582)</u>	<u>(1,255,853)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>515,500,000</u>	<u>444,891,055</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>515,500,000</u>	<u>444,891,055</u>
	Cents	Cents
Basic earnings per share	(0.19)	(0.28)
Diluted earnings per share	(0.19)	(0.28)

For the purpose calculating the diluted earnings per share options have been excluded as the effect would be anti-dilutive.

**Note 12. Events after the reporting period**

On 15 July 2019, the company issued 73,333,333 ordinary shares at a price of \$0.003 per share to sophisticated investors. The total proceeds from the issuance of the above securities amounted to \$220,000 before costs.

On 8 August 2019, the company issued 51,666,667 ordinary shares at a price of \$0.003 per share to sophisticated investors. The total proceeds from the issuance of the above securities amounted to \$155,000 before costs.

No other matter or circumstance has arisen since 30 June 2019 that has significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.