



**ASX announcement
25 August 2017**

REFFIND Preliminary final results

Executive Summary:

Mobile and web based technology company REFFIND Limited (ASX: RFN) has released its Appendix 4E preliminary final results for the 2016/17 financial year.

- REFFIND recorded revenue of \$622K for the year, a small increase on 2016. Total cash holdings at 30 June 2017 amounted to \$2,524,084.
- REFFIND recorded a loss of \$2.67M for the year, a \$6.2M improvement on 2016.
- The Company has undertaken a significant restructure which commenced in December 2016 which is reflected in the results and a substantial reduction in operating cash burn.
- The Board has at the date of this report also been completely restructured and a new CEO has been appointed.
- The company has undertaken in recent times a number of successful capital raisings to ensure that it is properly funded.
- The Company is now in a position to rebuild the business and deliver on its new strategic business plan.

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About REFFIND

REFFIND Limited is a mobile employee experience platform targeted for use by medium-large corporations to facilitate more efficient and effective communication with their employees. Based in Sydney, Australia the company is listed on the Australian Securities Exchange (ASX: RFN). www.reffind.com

1. Company details

Name of entity:	REFFIND Ltd
ABN:	64 600 717 539
Reporting period:	For the year ended 30 June 2017
Previous period:	For the year ended 30 June 2016

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	1.4% to	557,783
Loss from ordinary activities after tax attributable to the owners of REFFIND Ltd	down	70.6% to	(2,686,252)
Loss for the year attributable to the owners of REFFIND Ltd	down	70.6% to	(2,686,252)

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 \$2,686,252 (30 June 2016: \$9,143,969).

Refer to ASX announcement accompanying this report for further commentary

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>0.90</u>	<u>3.36</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.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

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

Not applicable.

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 is expected to be issued.

11. Attachments

Details of attachments (if any):

The Preliminary Financial Report of REFFIND Ltd for the year ended 30 June 2017 is attached.

12. Signed

Signed  _____

Date: 25 August 2017

Robert Whitton
Chairman
Sydney

REFFIND Ltd

ABN 64 600 717 539

Preliminary Financial Report - 30 June 2017

REFFIND Ltd
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2017



	Note	Consolidated Unaudited 2017 \$	2016 \$
Revenue	2	557,783	565,513
Other income	3	672,590	2,040,000
Expenses			
Employee benefits expense		(2,137,588)	(3,120,802)
Administration expenses		(441,047)	(366,049)
Depreciation and amortisation expense		(25,810)	(481,455)
Impairment of assets		-	(5,677,415)
Advertising and marketing expenses		(470,441)	(882,498)
Professional and consulting expenses		(511,818)	(434,379)
IPO transaction costs		-	(72,221)
Transitional service costs		-	(1,000,000)
Other expenses		(329,921)	(202,157)
Loss before income tax benefit		(2,686,252)	(9,631,463)
Income tax benefit		-	487,494
Loss after income tax benefit for the year attributable to the owners of REFFIND Ltd		(2,686,252)	(9,143,969)
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year attributable to the owners of REFFIND Ltd		<u>(2,686,252)</u>	<u>(9,143,969)</u>
		Cents	Cents
Basic earnings per share	11	(2.39)	(9.00)
Diluted earnings per share	11	(2.39)	(9.00)

Refer to note 1 for detailed information on Restatement of comparatives.

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

	Note	Consolidated Unaudited 2017 \$	2016 \$
Assets			
Current assets			
Cash and cash equivalents	4	2,523,731	4,294,244
Trade and other receivables	5	178,994	481,634
Prepayments		-	11,343
Total current assets		<u>2,702,725</u>	<u>4,787,221</u>
Non-current assets			
Property, plant and equipment	6	60,484	74,350
Security deposits		-	23,046
Total non-current assets		<u>60,484</u>	<u>97,396</u>
Total assets		<u>2,763,209</u>	<u>4,884,617</u>
Liabilities			
Current liabilities			
Trade and other payables	7	195,097	1,078,668
Employee benefits		30,789	49,989
Deferred revenue	8	102,510	119,139
Total current liabilities		<u>328,396</u>	<u>1,247,796</u>
Total liabilities		<u>328,396</u>	<u>1,247,796</u>
Net assets		<u>2,434,813</u>	<u>3,636,821</u>
Equity			
Issued capital	9	12,777,666	11,249,627
Reserves		977,754	1,021,549
Accumulated losses		(11,320,607)	(8,634,355)
Total equity		<u>2,434,813</u>	<u>3,636,821</u>

Refer to note 1 for detailed information on Restatement of comparatives.

Consolidated	Issued capital \$	Reserves \$	Retained profits/ accumulated losses \$	Total equity \$
Balance at 1 July 2015	1,470,340	-	509,614	1,979,954
Loss after income tax benefit for the year	-	-	(9,143,969)	(9,143,969)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(9,143,969)	(9,143,969)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 9)	9,779,287	-	-	9,779,287
Share-based payments	-	1,021,549	-	1,021,549
Balance at 30 June 2016	<u>11,249,627</u>	<u>1,021,549</u>	<u>(8,634,355)</u>	<u>3,636,821</u>

Refer to note 1 for detailed information on Restatement of comparatives.

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2016	11,249,627	1,021,549	(8,634,355)	3,636,821
Loss after income tax expense for the year	-	-	(2,686,252)	(2,686,252)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(2,686,252)	(2,686,252)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 9)	1,528,039	-	-	1,528,039
Share-based payments	-	(43,795)	-	(43,795)
Balance at 30 June 2017	<u>12,777,666</u>	<u>977,754</u>	<u>(11,320,607)</u>	<u>2,434,813</u>

	Note	Consolidated Unaudited 2017 \$	2016 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		659,384	600,753
Payments to suppliers (inclusive of GST)		<u>(4,653,112)</u>	<u>(4,485,845)</u>
		(3,993,728)	(3,885,092)
Interest received		32,587	93,092
Other revenue		<u>674,533</u>	<u>-</u>
Net cash used in operating activities		<u>(3,286,608)</u>	<u>(3,792,000)</u>
Cash flows from investing activities			
Cash acquired from purchase of subsidiary		-	47,567
Payments for property, plant and equipment	6	(11,944)	(76,039)
Payments for intangibles		<u>-</u>	<u>(470,194)</u>
Net cash used in investing activities		<u>(11,944)</u>	<u>(498,666)</u>
Cash flows from financing activities			
Proceeds from issue of shares	9	1,689,510	10,061,600
Share issue transaction costs		<u>(161,471)</u>	<u>(1,513,434)</u>
Net cash from financing activities		<u>1,528,039</u>	<u>8,548,166</u>
Net increase/(decrease) in cash and cash equivalents		(1,770,513)	4,257,500
Cash and cash equivalents at the beginning of the financial year		<u>4,294,244</u>	<u>36,744</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>2,523,731</u></u>	<u><u>4,294,244</u></u>

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

Note 1. Restatement of comparatives

Correction of error

During 2017, the group reviewed the assumptions regarding the probability of vesting periods for share options issued. The group discovered that some of the probability calculations had been incorrectly calculated in the prior year. As a consequence, the share option expense and the related reserve have been understated. This error has been rectified by restating each of the affected financial statement line items for prior periods as follows:

Statement of profit or loss and other comprehensive income

Extract	Consolidated		
	2016 \$ Reported	\$ Adjustment	2016 \$ Restated
Expenses			
Employee benefits expense	(2,848,727)	(272,075)	(3,120,802)
Loss before income tax benefit	(9,359,388)	(272,075)	(9,631,463)
Income tax benefit	487,494	-	487,494
Loss after income tax benefit for the year attributable to the owners of REFFIND Ltd	(8,871,894)	(272,075)	(9,143,969)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year attributable to the owners of REFFIND Ltd	<u>(8,871,894)</u>	<u>(272,075)</u>	<u>(9,143,969)</u>
	Cents Reported	Cents Adjustment	Cents Restated
Basic earnings per share	(8.74)	(0.26)	(9.00)
Diluted earnings per share	(8.74)	(0.26)	(9.00)

Statement of financial position at the beginning of the earliest comparative period

When there is a restatement of comparatives, it is mandatory to provide a third statement of financial position at the beginning of the earliest comparative period, being 1 July 2015. However, as there were no adjustments made as at 1 July 2015, the group has elected not to show the 1 July 2015 statement of financial position.

Statement of financial position at the end of the earliest comparative period

Extract	Consolidated		
	2016 \$ Reported	\$ Adjustment	2016 \$ Restated
Equity			
Reserves	749,474	272,075	1,021,549
Accumulated losses	(8,362,280)	(272,075)	(8,634,355)
Total equity	<u>3,636,821</u>	<u>-</u>	<u>3,636,821</u>

Note 2. Revenue

	Consolidated Unaudited 2017 \$	2016 \$
<i>Sales revenue</i>		
Subscription fees	523,253	472,421
<i>Other revenue</i>		
Interest	32,587	93,092
Other revenue	1,943	-
	<u>34,530</u>	<u>93,092</u>
Revenue	<u><u>557,783</u></u>	<u><u>565,513</u></u>

Note 3. Other income

	Consolidated Unaudited 2017 \$	2016 \$
Gain on de-recognition of contingent consideration	-	2,040,000
Other income	672,590	-
Other income	<u><u>672,590</u></u>	<u><u>2,040,000</u></u>

Note 4. Current assets - cash and cash equivalents

	Consolidated Unaudited 2017 \$	2016 \$
Cash at bank	2,279,983	954,244
Cash on deposit	243,748	3,340,000
	<u><u>2,523,731</u></u>	<u><u>4,294,244</u></u>

Note 5. Current assets - trade and other receivables

	Consolidated Unaudited 2017 \$	2016 \$
Trade receivables	118,618	108,937
Less: Provision for impairment of receivables	(63,971)	-
	<u>54,647</u>	<u>108,937</u>
Other receivables	113,566	17,572
Receivable from related party	-	321,351
GST receivable	10,781	33,774
	<u><u>178,994</u></u>	<u><u>481,634</u></u>

Note 6. Non-current assets - property, plant and equipment

	Consolidated	
	Unaudited	2016
	2017	\$
	\$	\$
Leasehold improvements - at cost	5,100	5,100
Less: Accumulated depreciation	(3,764)	(2,078)
	<u>1,336</u>	<u>3,022</u>
Computer equipment - at cost	61,876	53,873
Less: Accumulated depreciation	(36,212)	(16,625)
	<u>25,664</u>	<u>37,248</u>
Office furniture - at cost	40,797	36,856
Less: Accumulated depreciation	(7,313)	(2,776)
	<u>33,484</u>	<u>34,080</u>
	<u><u>60,484</u></u>	<u><u>74,350</u></u>

Reconciliations

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

Consolidated	Leasehold improvements \$	Computer equipment \$	Office furniture \$	Total \$
Balance at 1 July 2015	-	15,229	3,233	18,462
Additions	5,100	37,413	33,526	76,039
Depreciation expense	(2,078)	(15,394)	(2,679)	(20,151)
	<u>3,022</u>	<u>37,248</u>	<u>34,080</u>	<u>74,350</u>
Balance at 30 June 2016	3,022	37,248	34,080	74,350
Additions	-	8,003	3,941	11,944
Depreciation expense	(1,686)	(19,587)	(4,537)	(25,810)
	<u>1,336</u>	<u>25,664</u>	<u>33,484</u>	<u>60,484</u>
Balance at 30 June 2017	<u><u>1,336</u></u>	<u><u>25,664</u></u>	<u><u>33,484</u></u>	<u><u>60,484</u></u>

Note 7. Current liabilities - trade and other payables

	Consolidated	
	Unaudited	2016
	2017	\$
	\$	\$
Trade payables	96,474	197,072
Accrued expenses	84,088	132,964
Payable to related party	-	734,456
Other payables	14,535	14,176
	<u>195,097</u>	<u>1,078,668</u>

Note 8. Current liabilities - deferred revenue

	Consolidated Unaudited 2017 \$	2016 \$
Deferred revenue	<u>102,510</u>	<u>119,139</u>

Note 9. Equity - issued capital

	Unaudited 2017 Shares	2016 Shares	Consolidated Unaudited 2017 \$	2016 \$
Ordinary shares - fully paid	<u>271,969,798</u>	<u>108,168,798</u>	<u>12,777,666</u>	<u>11,249,627</u>

Movements in ordinary share capital

Details	Date	Shares	\$	
Balance	1 July 2015	60,000,000		1,470,340
Shares issued at IPO	2 July 2015	40,000,000	\$0.00	8,000,000
Settlement for options granted		-	\$0.00	61,600
Issue of shares on acquisition of WooBoard Pty Ltd	6 April 2016	1,025,941	\$0.00	1,231,121
Issue of shares	13 April 2016	7,142,857	\$0.00	2,000,000
Share issue transaction costs, net of tax		-	\$0.00	(1,513,434)
Balance	30 June 2016	108,168,798		11,249,627
Issue of shares	16 May 2017	27,000,000	\$0.01	270,000
Issue of shares	27 June 2017	125,000,000	\$0.01	1,301,500
Issue of shares	29 June 2017	11,801,000	\$0.01	118,010
Share issue transaction costs, net of tax		-	\$0.00	(161,471)
Balance	30 June 2017	<u>271,969,798</u>		<u>12,777,666</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 Unaudited 2017 \$	2016 \$
Loss after income tax attributable to the owners of REFFIND Ltd	<u>(2,686,252)</u>	<u>(9,143,969)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>112,557,294</u>	<u>101,544,737</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>112,557,294</u>	<u>101,544,737</u>

Note 11. Earnings per share (continued)

	Cents	Cents
Basic earnings per share	(2.39)	(9.00)
Diluted earnings per share	(2.39)	(9.00)

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 9 July 2017 49,800,000 Ordinary shares were released from escrow.

Other than noted above, no matter or circumstance has arisen since 30 June 2017 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.