

## 1. Company details

Name of entity:	REFFIND Ltd
ABN:	64 600 717 539
Reporting period:	For the year ended 30 June 2018
Previous period:	For the year ended 30 June 2017

## 2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	62.1% to	211,180
Loss from ordinary activities after tax attributable to the owners of REFFIND Ltd	down	53.2% to	(1,255,853)
Loss for the year attributable to the owners of REFFIND Ltd	down	53.2% to	(1,255,853)

### 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 \$1,255,853 (30 June 2017: \$2,686,252).

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 2018.

## 3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>0.88</u>	<u>0.90</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.

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## 11. Attachments

*Details of attachments (if any):*

The Preliminary Financial Report of REFFIND Ltd for the year ended 30 June 2018 is attached.

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## 12. Signed

Signed \_\_\_\_\_



Anthony Dunlop  
Director  
Sydney

Date: 31 August 2018

**REFFIND Ltd**

**ABN 64 600 717 539**

**Preliminary Financial Report - 30 June 2018**

**REFFIND Ltd**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2018**

**REFFIND**

	Note	Consolidated 2018 \$	2017 \$
<b>Revenue</b>	2	211,180	557,783
Other income	3	665,374	672,590
<b>Expenses</b>			
Employee benefits expense		(479,780)	(2,137,588)
Administration expenses		(599,397)	(441,047)
Depreciation and amortisation expense		(20,528)	(25,810)
Advertising and marketing expenses		(143,281)	(470,441)
Professional and consulting expenses		(842,899)	(511,818)
Other expenses		(46,522)	(329,921)
<b>Loss before income tax expense</b>		(1,255,853)	(2,686,252)
Income tax expense		-	-
<b>Loss after income tax expense for the year attributable to the owners of REFFIND Ltd</b>		(1,255,853)	(2,686,252)
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>(1,255,853)</u>	<u>(2,686,252)</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	11	(0.28)	(2.39)
Diluted earnings per share	11	(0.28)	(2.39)

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

	Note	Consolidated 2018 \$	2017 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	1,462,172	2,523,731
Trade and other receivables	5	85,288	178,994
Prepayments		1,201	-
Total current assets		<u>1,548,661</u>	<u>2,702,725</u>
<b>Non-current assets</b>			
Financial assets at fair value through profit or loss	6	3,112,273	-
Property, plant and equipment	7	7,910	60,484
Total non-current assets		<u>3,120,183</u>	<u>60,484</u>
<b>Total assets</b>		<u>4,668,844</u>	<u>2,763,209</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	8	116,251	195,097
Employee benefits		14,383	30,789
Deferred revenue		5,098	102,510
Total current liabilities		<u>135,732</u>	<u>328,396</u>
<b>Total liabilities</b>		<u>135,732</u>	<u>328,396</u>
<b>Net assets</b>		<u>4,533,112</u>	<u>2,434,813</u>
<b>Equity</b>			
Issued capital	9	16,131,818	12,777,666
Reserves		179,174	977,754
Accumulated losses		(11,777,880)	(11,320,607)
<b>Total equity</b>		<u>4,533,112</u>	<u>2,434,813</u>

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

	Issued capital \$	Reserves \$	Retained profits/ accumulated losses \$	Total equity \$
<b>Consolidated</b>				
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>
	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
<b>Consolidated</b>				
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>

	Note	Consolidated 2018 \$	2017 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		250,561	604,466
Payments to suppliers (inclusive of GST)		<u>(2,195,999)</u>	<u>(4,525,602)</u>
Interest received		(1,945,438)	(3,921,136)
Research and development and grant income		<u>2,490</u>	<u>32,587</u>
		406,572	<u>640,100</u>
Net cash used in operating activities		<u>(1,536,376)</u>	<u>(3,248,449)</u>
<b>Cash flows from investing activities</b>			
Payments for investments		(2,880,170)	-
Payments for property, plant and equipment	7	-	(11,944)
Payments for security deposits		-	(89,659)
Proceeds from disposal of property, plant and equipment		<u>835</u>	<u>-</u>
Net cash used in investing activities		<u>(2,879,335)</u>	<u>(101,603)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	9	3,585,052	1,689,510
Share issue transaction costs	9	<u>(230,900)</u>	<u>(109,971)</u>
Net cash from financing activities		<u>3,354,152</u>	<u>1,579,539</u>
Net decrease in cash and cash equivalents		(1,061,559)	(1,770,513)
Cash and cash equivalents at the beginning of the financial year		<u>2,523,731</u>	<u>4,294,244</u>
Cash and cash equivalents at the end of the financial year	4	<u><u>1,462,172</u></u>	<u><u>2,523,731</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 2018, no customer (2017: nil) contributed more than 10% to the group's external revenue.

### Operating segment information

<b>Consolidated - 2018</b>	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>

<b>Consolidated - 2017</b>	REFFIND \$	WooBoard \$	Total \$
<b>Revenue</b>			
Sales to external customers	423,418	99,835	523,253
Interest	32,587	-	32,587
Other revenue	-	1,943	1,943
<b>Total revenue</b>	<u>456,005</u>	<u>101,778</u>	<u>557,783</u>
<b>Adjusted EBITDA</b>	<u>(2,736,638)</u>	<u>43,609</u>	<u>(2,693,029)</u>
Depreciation and amortisation			(25,810)
Interest revenue			32,587
<b>Loss before income tax expense</b>			<u>(2,686,252)</u>
Income tax expense			-
<b>Loss after income tax expense</b>			<u>(2,686,252)</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**

	Consolidated 2018 \$	2017 \$
<i>Sales revenue</i>		
Subscription fees	197,431	523,253
<i>Other revenue</i>		
Interest	13,749	32,587
Other revenue	-	1,943
	<u>13,749</u>	<u>34,530</u>
Revenue	<u><u>211,180</u></u>	<u><u>557,783</u></u>

**Note 3. Other income**

	Consolidated 2018 \$	2017 \$
Net foreign exchange gain	225,268	-
Research and development income	406,572	640,100
Other income	33,534	32,490
	<u>665,374</u>	<u>672,590</u>

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

	Consolidated 2018 \$	2017 \$
Cash at bank	1,421,505	2,279,983
Cash on deposit	40,667	243,748
	<u>1,462,172</u>	<u>2,523,731</u>

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

	Consolidated 2018 \$	2017 \$
Trade receivables	79,009	118,618
Less: Provision for impairment of receivables	(30,437)	(63,971)
	<u>48,572</u>	<u>54,647</u>
Other receivables	20,760	113,566
GST receivable	15,956	10,781
	<u><u>85,288</u></u>	<u><u>178,994</u></u>

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

	Consolidated 2018 \$	2017 \$
Designated at fair value through profit or loss:		
Investment in Loyal Corporation	<u>3,112,273</u>	<u>-</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	-	-
Additions	2,880,170	-
Foreign exchange movements	<u>232,103</u>	<u>-</u>
Closing fair value	<u>3,112,273</u>	<u>-</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 2018, interest revenue totalling \$11,259 was recognised on the convertible note component of the investment in Loyal. As at 30 June 2018, no interest was received and interest receivable of \$11,259 is included in other receivables in note 9.

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

	Consolidated 2018 \$	2017 \$
Leasehold improvements - at cost	3,200	5,100
Less: Accumulated depreciation	<u>(3,200)</u>	<u>(3,764)</u>
	-	1,336
Computer equipment - at cost	61,876	61,876
Less: Accumulated depreciation	<u>(54,200)</u>	<u>(36,212)</u>
	7,676	25,664
Office furniture - at cost	4,420	40,797
Less: Accumulated depreciation	<u>(4,186)</u>	<u>(7,313)</u>
	234	33,484
	<u>7,910</u>	<u>60,484</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:

	Leasehold improvements \$	Computer equipment \$	Office furniture \$	Total \$
<b>Consolidated</b>				
Balance at 1 July 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)
Balance at 30 June 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

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

	Consolidated	
	2018 \$	2017 \$
Trade payables	56,481	44,974
Accrued expenses	48,539	84,088
Other payables	11,231	66,035
	<u>116,251</u>	<u>195,097</u>

**Note 9. Equity - issued capital**

	2018 Shares	Consolidated 2017 Shares	2018 \$	2017 \$
Ordinary shares - fully paid	<u>512,500,000</u>	<u>271,969,799</u>	<u>16,131,818</u>	<u>12,777,666</u>

*Movements in ordinary share capital*

Details	Date	Shares	\$
Balance	1 July 2016	108,168,799	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 1,250,000
Issue of shares	29 June 2017	11,801,000	\$0.01 118,010
Share issue transaction costs, net of tax		-	\$0.00 (109,971)
Balance	30 June 2017	271,969,799	12,777,666
Issue of shares	13 September 2017	158,030,201	\$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>512,500,000</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	
	2018	2017
	\$	\$
Loss after income tax attributable to the owners of REFFIND Ltd	<u>(1,255,853)</u>	<u>(2,686,252)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>442,507,493</u>	<u>112,557,294</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>442,507,493</u>	<u>112,557,294</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(0.28)	(2.39)
Diluted earnings per share	(0.28)	(2.39)

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 August 2018 company announced that its current CEO, Tim Lea, will be leaving the group effective from 7 September 2018. Pending the appointment of a full time CEO, the group team will report to Non-Executive Chairman David Jackson, who will now take an interim Executive role for the group.

No other matter or circumstance has arisen since 30 June 2018 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.