



Kyckr
LIMITED

ABN 38 609 323 257

ANNUAL
REPORT **2017**

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Directors	John Van Der Wielen David Cassidy Benjamin Cronin Robert Leslie Albert YL Wong John Walsh Patrick Curry
Company secretary	Karl Pechmann
Notice of annual general meeting	The details of the annual general meeting of Kyckr Limited are: Wednesday 29 November 2017, 10am, at: Level 16 1 Market Street Sydney NSW 2000
Registered office	Level 6, 36 Grosvenor Street Sydney NSW 2000
Principal place of business	Level 6, 36 Grosvenor Street Sydney NSW 2000
Share register	Boardroom Pty Limited Level 12, 225 George Street Sydney NSW 2000
Auditor	Nexia Sydney Partnership Level 16, 1 Market Street Sydney NSW 2000
Stock exchange listing	Kyckr Limited shares are listed on the Australian Securities Exchange (ASX code: KYK)
Business objectives	Kyckr Limited has used cash and cash equivalents held at the time of listing and the time since listing to provide technology solutions to help protect against money laundering, fraud and tax evasion, in a way consistent with its stated business objectives. Kyckr aims to provide the pre-eminent automated technology solution to maintain up to date critical company identity information, in place of the traditional error and fraud prone manual people based processes.
Corporate Governance Statement	The Corporate Governance Statement was approved by the Board of Directors at the same time as the Annual Report and can be found on the 'About us' page at http://www.kyckr.com/

Dear Shareholders

On behalf of the Board of Kyckr Limited (Kyckr or the Company), it is our pleasure to present the annual report for the year ended 30 June 2017.

The annual report includes the revenue contribution of Kyckr Ireland Limited for the period of September 2016 to the end of June 2017 (10-month period). In order to simplify statements below, references to performance are on the basis of 12 months revenue contribution from Kyckr Ireland Limited including comparative information where provided.

Significant growth

It has been a significant year of growth for Kyckr, following our successful listing on the Australian Securities Exchange in September 2016. We have delivered a strong result for the financial year, with revenue of \$1.54 million, an increase of 34% on the prior year. Operationally we expanded our global footprint, with significant new clients and partnerships, new offices established and additional registry capabilities acquired during the year.

Key Highlights for FY17 include:

- Australian Securities Exchange debut on 7 September 2016, raising \$5.2 million in an Initial Public Offering following the acquisition of Kyckr Ireland Limited
- Significant revenue growth, with revenue of \$1.54 million, up 34% on FY16
- Major global bank Citigroup secured as a client and generating revenue from Q3 FY17
- Landmark multi-agreement signed with Bloomberg, with revenue expected in Q2/Q3 FY18
- Board strengthened, with addition of experienced financial services and blockchain professionals.

Financial Overview

The financial year has seen significant growth, delivering revenue of \$1.54 million for FY17; more than 34% than the full prior year. Strong growth was delivered across the Company's Solo, Group and Enterprise Solutions offerings:

- Solo Portal revenue grew 55% to \$167k in FY17 benefiting from increased brand recognition resulting from the Company's Initial Public Offering
- Group revenue grew 55% to \$596k in FY17 with growth primarily attributable to the acquisition of Citigroup as a client during the year.
- Enterprise Solutions revenue grew 19% to \$778k in FY17.

The management team was pleased with the strong growth achieved in FY17 and continues to focus on growing revenue organically.

The loss before income tax for the year ended 30 June 2017 of \$3.4 million has been impacted by the following one-off and non-cash expenses:

- Share-based payment expense of \$1.1 million
- Acquisition expenses of \$240k
- IPO related expenses of \$100k

The normalised loss after removing the above one-off and non-cash expenses is \$2 million.

Significant blue-chip clients acquired

Kyckr was pleased to sign a number of blue chip clients, including global companies Bloomberg and Citigroup during the year.

Over 700 Citigroup compliance personnel in EMEA, APAC and the Americas use Kyckr's web-based portal services, following its implementation in October 2016. Following a rapid scale up in the number of users from 500 to over 700 in the first three months, Kyckr has delivered strong revenue growth from Group product revenues in Q3/Q4 of FY17. Management continues to focus on increasing use to further grow revenues in FY18.

Significantly, post year-end, Kyckr signed a multi-year collaboration agreement with Bloomberg. The agreement provides Kyckr with a strong revenue growth opportunity as its business registry data is integrated into Bloomberg's products and services and made available to its global customers. The agreement is for an initial three years, with an option for renewal and the integration of Kyckr's services into Bloomberg's product offering remains on track, with its launch and first revenues expected in Q2 of FY18. In September 2016, Kyckr announced the appointment of Ed Doyle as head of European Business

Development. The signing of Bloomberg is one example of Ed's contribution and ability to attract such global blue-chip clients.

Continuing the strong start to FY18, Kyckr was also pleased to sign its first Australian Financial Institutional client to use its global business registry services and sign a Content Agreement with NYSE listed technology company IBM, which will use Kyckr's services in the delivery of projects to new and existing global IBM customers.

The Company continues to pursue a pipeline of customer and partnership opportunities in FY18 and remains focused on driving revenue growth from existing clients.

Additional Partnerships strengthen distribution

Furthermore, partnership agreements signed during the year, provided Kyckr with strong distribution into the large offshore markets.

Kyckr's partnership with The Mizen Group (Mizen), a US investigations and advisory consulting firm, provided Kyckr direct market access to Mizen's large US and European customer base of global financial institutions. Under the mutual distribution and revenue sharing arrangement, Kyckr's data solutions will be distributed via Mizen's Smart Data Investigative Platform and a white-labelled version of Kyckr's platform will be marketed by Mizen in the US. The Company is currently working on the integration with Mizen and expects once operational, this will directly drive revenue and sales from the US during the course of FY18.

Kyckr's Malaysian partner, MYDATA successfully launched Kyckr's services on the MYDATA portal during the June quarter. An official provider of Malaysian business registry data, MYDATA is actively promoting Kyckr's services to its existing 50,000+ customers, who can access reports and company filings on a pay per click basis. Revenue from Malaysia and South-East Asia are expected to become material in FY18 as a result of this direct promotional activity.

Management continues to pursue further partnerships with well-established providers of services complementary to Kyckr's offering to provide instant distribution into established customer bases in new regions globally.

Additional sales and operational capabilities to drive strong growth

To leverage the growing global customer demand driven by increasingly onerous compliance regulation, Kyckr will continue to focus on expanding its sales and operations in the US, Europe, Asia and Australia. Leveraging its existing partnerships, additional sales headcount will be added and further investment made in operational support and product capabilities to continue to drive strong growth and meet global opportunities and demands.

Strengthened Board and management team

The year saw a number of key appointments to the Board and management team; further strengthening the Group's expertise and complementing the pre-existing skills and experience of the Group's leadership team.

- Albert Wong stepped down as Chair of the Group but has remained a non-executive Director. The guidance and leadership Albert provided to the Group during the listing process has been invaluable and on behalf of the Board we would like to thank him for his tremendous contribution as Chair.
- John Van Der Wielen was appointed non-executive, independent Chair for the Group. As a senior executive from the insurance and financial services sectors, John's wealth of local and international experience is greatly valued by the Board and leadership team.
- Patrick Curry, O.B.E. joined the Board as a non-executive Director. Patrick is an expert in security and identity and has advised UK and US governments, European agencies and defence and other organisations. Patrick is an international influencer in blockchain, having enabled its implementation for governments, industry and other authorities. The experience which Patrick provides the Board around blockchain technologies has proven to be invaluable.

Leading regulatory and compliance industry experts appointed as Advisors

The Company was pleased to appoint Mr Peter Oakes and Mr Bruce Quick as Advisors to the Company during the year. Both advisors have strong and established relationships with global regulatory bodies and c-suite risk and compliance personnel at global organisations and will be financially incentivised to generate positive commercial outcomes for the Company.

Promising outlook

Management expects that strong organic revenue growth will continue in FY18 as the Company commences services with key clients secured in FY17. Already, Kyckr has seen a strong start to FY18, with contracts signed with Bloomberg, its first Australian Financial Institution and IBM. Management continues to focus on growing Enterprise Solutions revenue by securing new customers and increasing services from our existing customer base, which should also result in net revenue increasing faster than gross revenue.

Increasingly, companies in the financial services industry and related sectors appreciate the importance of primary source information for KYC and other compliance procedures. With access to over 180 business registry sources, covering in excess of 120 countries, Kyckr is uniquely positioned in the market with its multi-jurisdictional solution. Continued investment in business development and continuing to improve our technology will ensure that Kyckr continues to provide solutions that meet the growing demand for our services from new and existing clients.

A handwritten signature in blue ink, appearing to read "John Van Der Wielen".

John Van Der Wielen
Chairman

A handwritten signature in blue ink, appearing to read "David Cassidy".

David Cassidy
Chief Executive Officer and Managing Director

29 September 2017
Sydney

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'Group') consisting of Kyckr Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2017.

Directors

The following persons were directors of Kyckr Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Mr John Van Der Wielen - Chairman (appointed 8 September 2016)
Mr David Cassidy - Chief Executive Officer and Managing Director
Mr Benjamin Cronin - Executive Director
Mr Robert Leslie - Executive Director
Mr Albert YL Wong - Non-Executive Director
Mr John Walsh - Non-Executive Director
Mr Patrick Curry - Non-Executive Director (appointed 27 October 2016)

Principal activities

The principal activity of the Group during the financial year consisted of the provision of Know Your Customer (KYC) technology solutions to help protect against money laundering, fraud and tax evasion. Kyckr's solutions are connected to over 180 regulated primary sources in over 120 countries.

Following the acquisition of Kyckr Ireland Limited (formerly Global Business Register Limited), the principal activities changed from that of a non-trading entity to performing KYC technology solutions.

Dividends

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

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$3,447,237 (30 June 2016: \$731,808).

Refer to the Chairman's and Chief Executive Officer's Report for further detail.

Significant changes in the state of affairs

On 1 September 2016, the Company acquired 97.59% of the issued share capital and voting rights of Kyckr Ireland Limited (formerly Global Business Register Limited), a Company based in Ireland, followed by the remaining 2.41% of the issued share capital and voting rights on 23 November 2016. The objective of the acquisition is to invest in business development and technical resources in order to realise the Company's KYC technology solutions.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Likely developments and expected results of operations

Information on likely developments in the operations of the consolidated entity are included in the Chairman's and Chief Executive Officer's Report on pages 3 to 5.

The Directors have identified the following business risks which may impact on the future performance of the Group:

Competition

The Group's intellectual property rights are not protected by any registered patents in any jurisdiction. This may allow competitors to develop products functionally similar to the Group's existing products. The existence of competitors with products that are functionally similar to the Group's existing products could result in loss of customers and falls of revenue, each of which could adversely affect the Group's business and operating results.

Key Personnel Risk

The successful execution of the Group's business model depends on a management team with the necessary talent and experience to integrate and manage the Group's growth plans. The loss of key management personnel could adversely affect the Group's business, results of operations or financial conditions and performance.

Current and Exchange Rate Fluctuations

The financial contribution of the Group will depend on the movement in exchange rates between the Australian Dollar and a number of other foreign currencies. The exchange rate between various currencies may fluctuate substantially and the result of these fluctuations may have an adverse impact on the Group's operating results and financial position. The Group does not enter into forward exchange contracts to hedge its anticipated purchase and sale commitments denominated in foreign currencies.

Environmental regulation

The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on directors

Name:	Mr John Van Der Wielen (appointed 8 September 2016)
Title:	Chairman
Qualifications:	MBA FAICD
Experience and expertise:	<p>John has over 25 years in insurance, wealth management, private banking and investments including executive positions within several global financial services groups, commencing as Chief Executive Officer and Managing Director of HBF in May 2017. This involved leading a number of acquisitions, integration and restructuring programs and senior executive board membership of listed ASX, FTSE, European and Asian entities. John is experienced in fronting stock markets, liaising with direct investors and meeting analysts on company strategy and performance in many international markets.</p> <p>John was previously CEO of Friends Life UK and International in London and prior to this he was the Managing Director Wealth at ANZ Bank in Sydney.</p> <p>Most recently John has been a Senior Adviser for Blackstone in the financial services arena and an independent non-executive on several boards.</p> <p>He holds an MBA from the University of Western Australia and has studied at London Business School and Oxford University. He is a Fellow of the Australian Institute of Company Directors.</p>
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Member of the Audit and Risk Management Committee and Remuneration Committee
Interests in shares:	734,404 ordinary shares
Interests in options:	2,000,000 options over ordinary shares
Interests in rights:	None

Name: Mr. David Gerard Cassidy
Title: Chief Executive Officer and Managing Director
Experience and expertise: David has more than 25 years' experience working in Australia, New Zealand, Asia, Europe and the US in banking, media, new media and Information Communications and Technology. He has worked for Australia's most prolific entrepreneurs, Kerry and James Packer.

He has worked for Citicorp, PricewaterhouseCoopers, Siemens, Consolidated Press Holdings Investments and Publishing Broadcast Limited. He has advised boards, served as CEO on an ASX-listed business and held many executive roles. He is well versed in Business Development, M&A, Marketing and Finance.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: None
Interests in shares: 4,930,212 ordinary shares
Interests in options: 1,500,000 options over ordinary shares
Interests in rights: 3,000,000 performance rights over ordinary shares

Name: Mr. Benjamin Michael Cronin
Title: Executive Director
Experience and expertise: Ben is the founder of Kyckr Ireland Limited (formerly Global Business Register Limited). He fulfills the combined roles of managing all operating activities, personnel and developing prospects and clients.

Ben has established relationships with numerous government registers and registrars over the last 10 years. His understanding of the Company register domain is extensive and he has presented at numerous register conferences over the years. Ben was a professional Rugby Union player, playing for Munster and Ireland.

Prior to setting up GBR, Ben was a successful property developer including bid management roles on Primary Healthcare Centre Projects and a Co- Location Hospital (Public Private Partnerships) Project.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: None
Interests in shares: 8,529,129 ordinary shares
Interests in options: None
Interests in rights: 6,500,000 performance rights over ordinary shares

Name: Mr Robert Leslie
Title: Executive Director
Qualifications: B. Eng. (electronics)
Experience and expertise: Robert is an electronics engineer by profession and a co- founder of Kyckr Ireland Limited (formerly Global Business Register Limited). Robert has worked internationally for Dell in Japan.

Rob is a mentor with Enterprise Ireland's network, providing support to high potential start-up entrepreneurs. He is also the founder of Sedicii, which has developed an identity platform that allows individuals to prove their identity to organisations without having to share any personal information in the process.

Rob is a source of innovation and strategy in technology products. He was recently selected by the World Economic Forum as a Technology Pioneer for 2015 and invited to talk at Davos.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: None
Interests in shares: 9,619,247 ordinary shares
Interests in options: None
Interests in rights: 6,500,000 performance rights over ordinary shares

Name: Mr Albert YL Wong AM
Title: Non-Executive Director
Qualifications: B Com. FAICD F Fin
Experience and expertise: Albert has more than 30 years' experience in stockbroking and investment banking. He has worked for Merrill Lynch in Sydney and was a Member of the Australian Securities Exchange. He has been instrumental in the listing of numerous small cap companies and served on the boards of the same and others over the years. Currently he serves as Deputy Chairman of Prima Biomed Limited, he is a Fellow of the Australian Institute of Company Directors, Fellow of FINSIA and a Member (Master Stockbroker) of the Stockbrokers Association of Australia.

Albert's philanthropic endeavours include serving on the UNSW Foundation Board of Directors, Honorary Life Governor and former President for the University of Sydney's Physics Foundation, Director of the Australian Museum Foundation and serving on the Board of Directors of the Children's Medical Research Institute and its Foundation.

Other current directorships: Prima BioMed Limited
Former directorships (last 3 years): None
Special responsibilities: Chair Audit and Risk Management Committee
Interests in shares: 4,930,213 ordinary shares
Interests in options: 1,500,000 options over ordinary shares
Interests in rights: 3,000,000 performance rights over ordinary shares

Name: Mr John Walsh
Title: Non-Executive Director
Qualifications: BE (hons), MIEI C Eng, MSc, GAICD
Experience and expertise: John is currently Managing Director of Spiecapag Australia (SCA), which specialises in the delivery of onshore infrastructure for the oil, gas and water industry. John brings important skills to the board including project and change management, risk management and cost control.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: Chair of the Remuneration Committee
Interests in shares: 300,000 ordinary shares
Interests in options: None
Interests in rights: None

Name: Mr Patrick Curry O.B.E. (appointed 27 October 2016)
Title: Non-Executive Director
Experience and expertise: Patrick has a background in military operations & planning, information management, identity management and international secure collaboration. He has held senior roles in a range of information and identity-centric management initiatives across UK government and international aerospace and defence sectors, including homeland security, cybersecurity and the UK National Identity Scheme.

Patrick was a contributing author to the UK Government Office of Science Report on "Distributed Ledger Technologies: Beyond Blockchains" and is active in enabling the adoption of blockchains by government, industry and authorities.

Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: Member of the Audit and Risk Management Committee and Remuneration Committee
Interests in shares: None
Interests in options: 1,000,000 options over ordinary shares
Interests in rights: None

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary

Karl Pechmann was appointed Company Secretary on 11 April 2016. Karl is a Chartered Accountant and Chartered Company Secretary. He has more than 15 years of diverse business experience across a range of industries including media, labour hire and biotechnology. He commenced his career with KPMG where he gained experience in audit, business advisory and corporate finance roles across a range of clients and industries. He has held senior finance positions at both ASX-listed and multi-national companies, being involved in M&A activity, strategic reviews and performance improvement initiatives.

Meetings of directors

The number of meetings of the company's Board of Directors ('the Board') held during the year ended 30 June 2017, and the number of meetings attended by each director were:

	Full Board		Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
John Van Der Wielen	5	6	-	-	-	1
David Cassidy	7	7	-	-	-	-
Benjamin Cronin	7	7	-	-	-	-
Robert Leslie	7	7	-	-	-	-
Albert YL Wong	7	7	-	-	1	1
John Walsh	7	7	-	-	-	-
Patrick Curry	5	5	-	-	1	1

Held: represents the number of meetings held during the time the director held office.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all directors.

The remuneration report is set out under the following main headings:

- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Remuneration Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:

- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:

- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive director and executive director remuneration is separate.

Non-executive directors remuneration

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Remuneration Committee. The Remuneration Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors are entitled to receive share options and performance rights.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. As set out in the IPO Prospectus, total aggregate remuneration available to Non-executive directors was set at \$500,000 per annum. Non-executive director fees (Directors' fees and committee fees, inclusive of superannuation) proposed for the year ending 30 June 2018 are summarised as follows:

Name	Fees
John Van Der Wielen	\$75,000
Patrick Curry	\$50,000
Albert Wong	\$50,000
John Walsh	\$50,000

Executive remuneration

The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:

- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the Remuneration Committee based on individual and business unit performance, the overall performance of the consolidated entity and comparable market remunerations.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive.

The short-term incentives ('STI') program is designed to align the targets of the business units with the performance hurdles of executives. STI payments are granted to executives based on specific annual targets and key performance indicators ('KPI's') being achieved. KPI's include profit contribution, customer satisfaction, leadership contribution and product management.

The long-term incentives ('LTI') include long service leave and share-based payments.

On 1 September 2016, 4,000,000 unlisted options were granted to Key Management Personnel. The exercise price of the options of \$0.30 was 50% higher than the Initial Public Offering price. The options are exercisable upon meeting certain revenue targets within four years from the date of grant. The contractual life of each option is four years.

On 1 September 2016, 20,000,000 performance rights were granted to certain Directors and Key Management Personnel. The performance rights are exercisable at Nil value. The performance rights vest upon meeting the following conditions:

- 50% of the performance rights automatically convert upon the Company achieving a turnover of \$5 million or more as set out in the full year or half-yearly financial statements released to the ASX; and
- 50% of the Performance rights automatically convert upon the Company achieving a turnover of \$10 million or more as set out in its yearly or half-yearly financial statements released to the ASX.

On 30 November 2016, 2,000,000 unlisted options exercisable at \$0.30 were granted to senior executives under the Long Term Incentive Plan approved by shareholders at the Annual General Meeting held on 30 November 2016. The exercise price of the options of \$0.30 was 22.45% higher than market price of the shares on the date of grant. The vesting of these options is conditional on continued employment until the vesting date, being two years from grant date. The contractual life of each option is four years.

The Remuneration Committee reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 30 June 2017.

Consolidated entity performance and link to remuneration

Remuneration for certain individuals is directly linked to the performance of the consolidated entity. A portion of cash bonus and incentive payments are dependent on defined earnings per share targets being met. The remaining portion of the cash bonus and incentive payments are at the discretion of the Remuneration Committee.

The Remuneration Committee is of the opinion that the continued improved results can be attributed in part to the adoption of performance based compensation and is satisfied that this improvement will continue to increase shareholder wealth if maintained over the coming years.

Voting and comments made at the company's 2016 Annual General Meeting ('AGM')

At the 2016 AGM, 97.8% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2016. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration

Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables.

The key management personnel of the consolidated entity consisted of the following directors of Kyckr Limited:

- John Van Der Wielen (appointed on 8 September 2016)
- David Cassidy
- Benjamin Cronin
- Robert Leslie
- John Walsh
- Albert YL Wong
- Patrick Curry (appointed on 27 October 2016)

And the following person:

- Karl Pechmann - Chief Financial Officer and Company Secretary

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled	
30 June 2017	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
J Van Der Wielen*	51,370	-	-	4,880	-	226,380	282,630
A Wong	38,052	-	-	3,615	-	282,554	324,221
J Walsh	46,667	-	-	-	-	-	46,667
P Curry*	33,333	-	-	-	-	89,489	122,822
<i>Executive Directors:</i>							
D Cassidy	269,260	-	-	23,750	1,080	282,554	576,644
B Cronin	180,037	-	-	-	-	-	180,037
R Leslie	152,106	-	-	-	-	-	152,106
<i>Other Key Management Personnel:</i>							
K Pechmann	179,324	-	-	15,689	710	146,919	342,642
	<u>950,149</u>	<u>-</u>	<u>-</u>	<u>47,934</u>	<u>1,790</u>	<u>1,027,896</u>	<u>2,027,769</u>

* represents remuneration from the date of appointment

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Cash bonus	Non-monetary	Super-annuation	Long service leave	Equity-settled	
Period from 16 November 2015 to 30 June 2016	\$	\$	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>							
A Wong	5,000	-	-	-	-	-	5,000
J Walsh	5,000	-	-	-	-	-	5,000
<i>Other Key Management Personnel:</i>							
K Pechmann	28,358	-	-	-	-	-	28,358
	<u>38,358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>38,358</u>

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration 30 June 2017	At risk - STI 30 June 2017	At risk - LTI 30 June 2017
<i>Non-Executive Directors:</i>			
J Van Der Wielen	20%	-	80%
A Wong	13%	-	87%
J Walsh	100%	-	-
P Curry	27%	-	73%
<i>Executive Directors:</i>			
D Cassidy	51%	-	49%
B Cronin	100%	-	-
R Leslie	100%	-	-
<i>Other Key Management Personnel:</i>			
K Pechmann	57%	-	43%

Service agreements

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name: David Cassidy
Title: Managing Director and Chief Executive Officer
Agreement commenced: 6 September 2016
Term of agreement: 3 Years
Details: David receives a base salary of \$300,000 plus superannuation and is eligible to participate in the long term incentive plans of the consolidated entity. David may terminate his employment contract by giving 3 month's notice in writing. The company can terminate his contract by giving 3 months notice in writing and providing the greater of 12 months pay or the remaining period of the agreement.

Name: Benjamin Cronin
Title: Head of Regulatory Development
Agreement commenced: 6 September 2016
Term of agreement: No fixed term
Details: Ben receives a base salary of €150,000 and is eligible to participate in the long term incentive plans of the consolidated entity. Ben may terminate his employment contract by giving 3 months' notice in writing.

Name: Robert Leslie
Title: Head of Innovation
Agreement commenced: 6 September 2016
Term of agreement: No fixed term
Details: Robert receives a base salary of €150,000 and is eligible to participate in the long term incentive plans of the consolidated entity. Robert may terminate his employment contract by giving 3 months' notice in writing.

Name: Karl Pechmann
Title: Chief Financial Officer and Company Secretary
Agreement commenced: 6 September 2016
Term of agreement: No fixed term
Details: Karl receives a base salary of \$200,000 plus superannuation and is eligible to participate in the long term incentive plans of the consolidated entity. Karl may terminate his employment contract by giving 3 months' notice in writing.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2017.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of options granted	Grant date	Vesting date	Exercisable date	Exercise price	Fair value per option at grant date
A Wong**	1,500,000	01/09/2016	01/09/2016	01/09/2018	\$0.30	\$0.12
D Cassidy**	1,500,000	01/09/2016	01/09/2016	01/09/2018	\$0.30	\$0.12
K Pechmann**	1,000,000	01/09/2016	01/09/2016	01/09/2018	\$0.30	\$0.12
J Van Der Wielen*	1,000,000	30/11/2016	30/11/2016	30/11/2016	\$0.30	\$0.14
J Van Der Wielen*	1,000,000	30/11/2016	01/11/2017	01/11/2017	\$0.30	\$0.14
P Curry*	333,333	30/11/2016	30/11/2016	30/11/2016	\$0.30	\$0.14
P Curry*	333,333	30/11/2016	01/11/2017	01/11/2017	\$0.30	\$0.14
P Curry*	333,334	30/11/2016	01/11/2018	01/11/2018	\$0.30	\$0.14

* Options expire on 30 November 2020

** Options expire on 1 September 2020

Options granted carry no dividend or voting rights.

All options were granted over unissued fully paid ordinary shares in the company. The number of options granted was determined having regard to the satisfaction of performance measures and weightings as described above in the section 'Consolidated entity performance and link to remuneration'. Options vest based on the provision of service over the vesting period whereby the executive becomes beneficially entitled to the option on vesting date. Options are exercisable by the holder as from the vesting date. There has not been any alteration to the terms or conditions of the grant since the grant date. There are no amounts paid or payable by the recipient in relation to the granting of such options other than on their potential exercise.

The number of options over ordinary shares granted to and vested in directors and other key management personnel as part of compensation during the year ended 30 June 2017 are set out below:

Name	Number of options granted during the year 30 June 2017	Number of options vested during the year 30 June 2017
J Van Der Wielen	2,000,000	1,000,000
D Cassidy	1,500,000	1,500,000
A Wong	1,500,000	1,500,000
P Curry	1,000,000	333,333
K Pechmann	1,000,000	1,000,000

No options were granted and/or vested during the period to 30 June 2016.

Performance rights

The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Expiry date	Fair value per right at grant date
D Cassidy	3,000,000	1/09/2016	01/09/2020	\$0.20
B Cronin	6,500,000	1/09/2016	01/09/2020	\$0.20
R Leslie	6,500,000	1/09/2016	01/09/2020	\$0.20
A Wong	3,000,000	1/09/2016	01/09/2020	\$0.20
K Pechmann	1,000,000	1/09/2016	01/09/2020	\$0.20

* All performance rights can vest and become exercisable between 1 September 2016 and 1 September 2020 upon achieving the performance criteria.

Performance rights granted carry no dividend or voting rights.

Name	Number of rights granted during the year 30 June 2017	Number of rights vested during the year 30 June 2017
D Cassidy	3,000,000	-
B Cronin	6,500,000	-
R Leslie	6,500,000	-
A Wong	3,000,000	-
K Pechmann	1,000,000	-

No performance rights were granted and/or vested during the period to 30 June 2016.

Additional disclosures relating to key management personnel

Shareholding

The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
J Van Der Wielen	-	-	734,404	-	734,404
A Wong	7,057,692	-	-	(2,127,479)	4,930,213
D Cassidy	7,057,691	-	-	(2,127,479)	4,930,212
B Cronin	1	-	8,519,128	-	8,519,129
R Leslie	1	-	9,619,246	-	9,619,247
J Walsh	250,000	-	50,000	-	300,000
K Pechmann	150,000	-	-	-	150,000
	14,515,385	-	18,922,778	(4,254,958)	29,183,205

Option holding

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/forfeited/other	Balance at the end of the year
<i>Options over ordinary shares</i>					
J Van Der Wielen	-	2,000,000	-	-	2,000,000
D Cassidy	-	1,500,000	-	-	1,500,000
A Wong	-	1,500,000	-	-	1,500,000
P Curry	-	1,000,000	-	-	1,000,000
K Pechmann	-	1,000,000	-	-	1,000,000
	-	<u>7,000,000</u>	-	-	<u>7,000,000</u>

Performance rights holding

The number of performance rights over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Vested	Expired/forfeited/other	Balance at the end of the year
<i>Performance rights over ordinary shares</i>					
D Cassidy	-	3,000,000	-	-	3,000,000
A Wong	-	3,000,000	-	-	3,000,000
B Cronin	-	6,500,000	-	-	6,500,000
R Leslie	-	6,500,000	-	-	6,500,000
K Pechmann	-	1,000,000	-	-	1,000,000
	-	<u>20,000,000</u>	-	-	<u>20,000,000</u>

Other transactions with key management personnel and their related parties

During the financial year, expenses for consulting services from Boomerang Capital Pty Ltd (director-related entity of Albert Wong and David Cassidy) of \$45,000 were incurred. All transactions were made on normal commercial terms and conditions and were at market rates.

During the financial year, expenses for investor relations services from Barton Place Pty Ltd (director-related entity of Albert Wong) of \$91,670 were incurred. All transactions were made on normal commercial terms and conditions and were at market rates.

This concludes the remuneration report, which has been audited.

Shares under option

Unissued ordinary shares of Kyckr Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
01/09/2016	01/09/2020	\$0.20	4,000,000
01/09/2016	01/09/2020	\$0.30	4,000,000
30/11/2016	30/11/2020	\$0.30	3,000,000
30/11/2016	30/11/2020	\$0.30	<u>2,000,000</u>
			<u><u>13,000,000</u></u>

No person entitled to exercise the options had or has any right by virtue of the option to participate in any share issue of the company or of any other body corporate.

Shares under performance rights

Unissued ordinary shares of Kyckr Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Number under rights
01/09/2016	01/09/2020	20,000,000

No person entitled to exercise the performance rights had or has any right by virtue of the performance right to participate in any share issue of the company or of any other body corporate.

Shares issued on the exercise of options

There were no ordinary shares of Kyckr Limited issued on the exercise of options during the year ended 30 June 2017 and up to the date of this report.

Shares issued on the exercise of performance rights

There were no ordinary shares of Kyckr Limited issued on the exercise of performance rights during the year ended 30 June 2017 and up to the date of this report.

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor

The company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

Non-audit services

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 24 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 24 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Officers of the company who are former partners of Nexia Sydney Partnership

There are no officers of the company who are former partners of Nexia Sydney Partnership.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

Auditor

Nexia Sydney Partnership continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in black ink, appearing to read "John Van Der Wielen".

John Van Der Wielen
Chairman

A handwritten signature in black ink, appearing to read "David Cassidy".

David Cassidy
Director

29 September 2017
Sydney

To the Board of Directors of Kyckr Limited

Auditor's Independence Declaration under section 307C of the *Corporations Act 2001*

As lead audit partner for the audit of the financial statements of Kyckr Limited for the financial year ended 30 June 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (b) any applicable code of professional conduct in relation to the audit.

Yours sincerely



Nexia Sydney Partnership



Lester Wills

Partner

Date: 29/09/2017

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Liability limited by a scheme approved under Professional Standards Legislation.

Nexia Sydney Partnership (ABN 71 502 156 733) is an independent firm of Chartered Accountants. It is affiliated with, but independent from Nexia Australia Pty Ltd, which is a member of Nexia International, a worldwide network of independent accounting and consulting firms. Neither Nexia International nor Nexia Australia Pty Ltd, deliver services in its own name or otherwise. Nexia International Limited and the member firms of the Nexia International network (including those members which trade under a name which includes NEXIA) are not part of a worldwide partnership.

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



		Consolidated	
		Period from	
		16 November	
		2015 to 30	
	Note	30 June 2017	June 2016
		\$	\$
Revenue	5	1,381,728	14,904
Other income	6	27,328	-
Expenses			
Direct costs and consumables used		(451,932)	-
Employee benefits expense	7	(1,784,696)	-
Share-based payments expense	32	(1,108,730)	-
Depreciation and amortisation expense	7	(49,784)	-
Consultancy and professional fees		(506,424)	(143,000)
Travel expenses		(302,600)	-
Acquisition expenses	27	(240,524)	(359,525)
IPO related expenses		(99,264)	(212,878)
Other expenses		(287,334)	(31,309)
Finance costs	7	(25,005)	-
Loss before income tax expense		(3,447,237)	(731,808)
Income tax expense	8	-	-
Loss after income tax expense for the year attributable to the owners of Kyckr Limited		(3,447,237)	(731,808)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(26,091)	-
Other comprehensive income for the year, net of tax		(26,091)	-
Total comprehensive income for the year attributable to the owners of Kyckr Limited		<u>(3,473,328)</u>	<u>(731,808)</u>
		Cents	Cents
Basic earnings per share	31	(3.92)	(2.23)
Diluted earnings per share	31	(3.92)	(2.23)

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

	Note	Consolidated 30 June 2017 \$	30 June 2016 \$
Assets			
Current assets			
Cash and cash equivalents	9	2,670,859	266,943
Trade and other receivables	10	180,686	19,671
Financial assets	11	-	188,346
Other	12	116,127	181,344
Total current assets		<u>2,967,672</u>	<u>656,304</u>
Non-current assets			
Property, plant and equipment	13	26,259	-
Intangibles	14	12,321,017	-
Financial assets	15	-	161,439
Total non-current assets		<u>12,347,276</u>	<u>161,439</u>
Total assets		<u>15,314,948</u>	<u>817,743</u>
Liabilities			
Current liabilities			
Trade and other payables	16	410,926	146,585
Provisions	17	26,080	-
Deferred revenue		32,164	-
Total current liabilities		<u>469,170</u>	<u>146,585</u>
Non-current liabilities			
Deferred consideration		2,556,322	-
Total non-current liabilities		<u>2,556,322</u>	<u>-</u>
Total liabilities		<u>3,025,492</u>	<u>146,585</u>
Net assets		<u>12,289,456</u>	<u>671,158</u>
Equity			
Issued capital	18	14,897,543	1,402,966
Reserves	19	1,570,958	-
Accumulated losses		(4,179,045)	(731,808)
Total equity		<u>12,289,456</u>	<u>671,158</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 16 November 2015	-	-	-	-
Loss after income tax expense for the year	-	-	(731,808)	(731,808)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive income for the year	-	-	(731,808)	(731,808)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 18)	1,402,966	-	-	1,402,966
Balance at 30 June 2016	<u>1,402,966</u>	<u>-</u>	<u>(731,808)</u>	<u>671,158</u>
Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2016	1,402,966	-	(731,808)	671,158
Loss after income tax expense for the year	-	-	(3,447,237)	(3,447,237)
Other comprehensive income for the year, net of tax	-	(26,091)	-	(26,091)
Total comprehensive income for the year	-	(26,091)	(3,447,237)	(3,473,328)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 18)	13,494,577	488,319	-	13,982,896
Share-based payments (note 32)	-	1,108,730	-	1,108,730
Balance at 30 June 2017	<u>14,897,543</u>	<u>1,570,958</u>	<u>(4,179,045)</u>	<u>12,289,456</u>

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

		Consolidated	
		Period from	
		16 November	
		2015 to 30	
	Note	30 June 2017	June 2016
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		1,587,854	-
Payments to suppliers and employees (inclusive of GST)		<u>(3,580,343)</u>	<u>(43,846)</u>
		(1,992,489)	(43,846)
Interest received		<u>25,653</u>	<u>4,003</u>
Net cash used in operating activities	30	<u>(1,966,836)</u>	<u>(39,843)</u>
Cash flows from investing activities			
Cash flow from purchase of subsidiary, net of cash acquired	27	50,525	-
Payment for expenses relating to acquisitions		(240,524)	(359,525)
Payments for property, plant and equipment	13	(19,045)	-
Payments for intangibles	14	(5,074)	-
Convertible notes provided		<u>-</u>	<u>(349,785)</u>
Net cash used in investing activities		<u>(214,118)</u>	<u>(709,310)</u>
Cash flows from financing activities			
Proceeds from issue of shares	18	5,192,437	1,501,966
Cancellation of shares		(591)	-
IPO transaction costs		(99,264)	(212,878)
Share issue transaction costs		(317,458)	(272,992)
Repayment of borrowings		<u>(190,254)</u>	<u>-</u>
Net cash from financing activities		<u>4,584,870</u>	<u>1,016,096</u>
Net increase in cash and cash equivalents		2,403,916	266,943
Cash and cash equivalents at the beginning of the financial year		<u>266,943</u>	<u>-</u>
Cash and cash equivalents at the end of the financial year	9	<u><u>2,670,859</u></u>	<u><u>266,943</u></u>

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

Note 1. General information

The financial statements cover Kyckr Limited as a consolidated entity consisting of Kyckr Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Kyckr Limited's functional and presentation currency.

Kyckr Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 6, 36 Grosvenor Street
Sydney
NSW 2000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 29 September 2017. The directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Going concern

The Group incurred a net loss for the year ended 30 June 2017 of \$3,447,237 and experienced net cash outflows from operating activities of \$1,966,836. At 30 June 2017, cash and cash equivalents was \$2,670,859. The Group is forecasting a loss for the year ended 30 June 2018 that would extinguish all current cash reserves.

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Group raising additional capital from equity markets, managing cashflow in line with available funds and growing the revenue base. The Directors have reviewed the Group's financial position and are of the opinion that the use of the going concern basis of accounting is appropriate as they believe the Group will be able to raise additional capital from equity markets, manage cashflow and grow the revenue base.

However, if the Group is not successful, there is a material uncertainty that may cast significant doubt whether the Group will continue as a going concern and therefore whether the Group may be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

The financial report does not contain any adjustments relating to the recoverability and classification of recorded assets or liabilities that might be necessary should the Group not be able to continue as a going concern.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Note 2. Significant accounting policies (continued)

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 26.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Kyckr Limited ('company' or 'parent entity') as at 30 June 2017 and the results of all subsidiaries for the year then ended. Kyckr Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Kyckr Limited's functional and presentation currency.

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Note 2. Significant accounting policies (continued)

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition

Revenue is recognised when it is probable that the economic benefit will flow to the consolidated entity and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable.

Rendering of services

Revenue from long term contracts is recognised in accordance with the stage of completion of the contract with the revenue and portion of profit recognised in each accounting period being the amounts which reflects the work performed in that period.

Interest

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

Note 2. Significant accounting policies (continued)

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the consolidated entity's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments (more than 60 days overdue) are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

Other receivables are recognised at amortised cost, less any provision for impairment.

Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at amortised cost using the effective interest rate method. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The consolidated entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

The amount of the impairment allowance for loans and receivables carried at amortised cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. If there is a reversal of impairment, the reversal cannot exceed the amortised cost that would have been recognised had the impairment not been made and is reversed to profit or loss.

Note 2. Significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Computer equipment	2-5 years
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The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Leases

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to the ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits.

Finance leases are capitalised. A lease asset and liability are established at the fair value of the leased assets, or if lower, the present value of minimum lease payments. Lease payments are allocated between the principal component of the lease liability and the finance costs, so as to achieve a constant rate of interest on the remaining balance of the liability.

Leased assets acquired under a finance lease are depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the consolidated entity will obtain ownership at the end of the lease term.

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Intangible assets

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill

Goodwill arises on the acquisition of a business and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Note 2. Significant accounting policies (continued)

Computer software and development

Significant costs associated with computer software and development are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Liabilities for employee entitlements which have vested in the employee at reporting date are recognised as current liabilities notwithstanding that they are not expected to be settled within 12 months of reporting date as the consolidated entity does not have an unconditional right to defer settlement.

Share-based payments

Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Note 2. Significant accounting policies (continued)

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Business combinations

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the consolidated entity assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the consolidated entity's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Note 2. Significant accounting policies (continued)

Where the business combination is achieved in stages, the consolidated entity remeasures its previously held equity interest in the acquiree at the acquisition-date fair value and the difference between the fair value and the previous carrying amount is recognised in profit or loss.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as an asset or liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the owners of Kyckr Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 30 June 2017. The consolidated entity's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the consolidated entity, are set out below.

Note 2. Significant accounting policies (continued)

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI'). For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The consolidated entity will adopt this standard from 1 July 2018. It is not expected to significantly impact the financial statements on the basis that the main financial assets recognised represent cash and cash equivalents and trade receivables that do not carry a significant financing component and involve a single cash flow representing the repayment of principal, which in the case of trade receivables is the transaction price. Both asset classes will continue to be measured at face value. Other financial asset classes are not material to the consolidated entity. Financial liabilities of the consolidated entity are not impacted as the consolidated entity does not carry them at fair value.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue. For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgements made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The consolidated entity will adopt this standard from 1 July 2018. It is not expected to significantly impact the financial statements on the basis that most of the consolidated entity's revenue is recognised as the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs, and this is consistent with AASB 15 requirements.

Note 2. Significant accounting policies (continued)

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs). In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16. For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The consolidated entity will adopt this standard from 1 July 2019 but the impact of its adoption is yet to be assessed by the consolidated entity.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Share-based payment transactions

The consolidated entity measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Fair value measurement hierarchy

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

Estimation of useful lives of assets

The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Goodwill and other indefinite life intangible assets

The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets

The consolidated entity assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Income tax

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences only if the consolidated entity considers it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Employee benefits provision

As discussed in note 2, the liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Business combinations

As discussed in note 2, business combinations are initially accounted for on a provisional basis. The fair value of assets acquired, liabilities and contingent liabilities assumed are initially estimated by the consolidated entity taking into consideration all available information at the reporting date. Fair value adjustments on the finalisation of the business combination accounting is retrospective, where applicable, to the period the combination occurred and may have an impact on the assets and liabilities, depreciation and amortisation reported.

Note 4. Operating segments

The Group operates in one operating segment, being the provision of Know Your Business customer ('KYB') services. The operating segment identified is based on the internal reports that are reviewed and used by the Directors of the Board (who are identified as the Chief Operating Decision Maker ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews earnings before interest, tax, depreciation and amortisation ('EBITDA'). EBITDA is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for non-specific non-cash and significant items. 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 at least a monthly basis.

Major customers

During the year ended 30 June 2017 approximately 49% (2016: n/a) of the consolidated entity's external revenue was derived from sales to 1 customer.

Note 4. Operating segments (continued)

Geographical information

	Sales to external customers		Geographical non-current assets	
	30 June 2017	Period from 16 November 2015 to 30 June 2016	30 June 2017	30 June 2016
	\$	\$	\$	\$
Australia	-	-	12,253,596	161,439
Ireland	1,356,075	-	93,680	-
	<u>1,356,075</u>	<u>-</u>	<u>12,347,276</u>	<u>161,439</u>

The geographical non-current assets above are exclusive of, where applicable, financial instruments, deferred tax assets, post-employment benefits assets and rights under insurance contracts.

A reconciliation of the loss after income tax expense to EBITDA is as follows:

	Consolidated	
	30 June 2017	Period from 16 November 2015 to 30 June 2016
	\$	\$
Loss after tax	(3,447,237)	(731,808)
add: Depreciation and amortisation	49,784	-
Less: interest revenue	(25,653)	(14,904)
add: finance costs	25,005	-
EBITDA	<u>(3,398,101)</u>	<u>(746,712)</u>

Note 5. Revenue

	Consolidated	
	30 June 2017	Period from 16 November 2015 to 30 June 2016
	\$	\$
<i>Sales revenue</i>		
Sales of services	1,356,075	-
<i>Other revenue</i>		
Interest	25,653	14,904
Revenue	<u>1,381,728</u>	<u>14,904</u>

Note 6. Other income

	30 June 2017	Consolidated Period from 16 November 2015 to 30 June 2016
	\$	\$
Net foreign exchange gain	27,328	-

Note 7. Expenses

	30 June 2017	Consolidated Period from 16 November 2015 to 30 June 2016
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Computer equipment	6,409	-
<i>Amortisation</i>		
Computer software and development	43,375	-
Total depreciation and amortisation	49,784	-
<i>Finance costs</i>		
Interest and finance charges paid/payable	25,005	-
<i>Net foreign exchange loss</i>		
Net foreign exchange loss	23	4,743
<i>Rental expense relating to operating leases</i>		
Minimum lease payments	87,229	5,637
<i>Share-based payments expense</i>		
Share-based payments expense	1,108,730	-
<i>Employee benefits expense</i>		
Employee benefits expense excluding superannuation	1,736,762	-
Defined contribution superannuation expense	47,934	-
Total employee benefits expense	1,784,696	-

Note 8. Income tax expense

	Consolidated	Period from
	30 June 2017	16 November
	\$	2015 to 30
		June 2016
		\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(3,447,237)	(731,808)
Tax at the statutory tax rate of 27.5% (2016: 30%)	(947,990)	(219,542)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	338,690	172,008
Non-assessable income	-	(3,270)
Capital deductions	(122,029)	(40,284)
	(731,329)	(91,088)
Current year tax losses not recognised	610,945	91,088
Difference in overseas tax rates	120,384	-
Income tax expense	-	-

	Consolidated	Consolidated
	30 June 2017	30 June 2016
	\$	\$
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Carried forward tax losses benefit	1,077,377	74,269
Temporary differences	51,984	174,687
Total deferred tax assets not recognised	1,129,361	248,956

The above potential tax benefit, which includes tax losses and temporary differences has not been recognised in the statement of financial position as recovery of this benefit is not probable. There is no expiration date for the tax losses carried forward. The estimated amount of cumulative tax losses at 30 June 2017 was \$5,432,460 (2016: \$247,564). Utilisation of these tax losses is dependent on the Company satisfying certain tests at the time the losses are recouped.

Note 9. Current assets - cash and cash equivalents

	Consolidated	Consolidated
	30 June 2017	30 June 2016
	\$	\$
Cash at bank	2,670,859	266,943

Note 10. Current assets - trade and other receivables

	Consolidated	
	30 June 2017	30 June 2016
	\$	\$
Trade receivables	133,204	-
Less: Provision for impairment of receivables	(1,486)	-
	<u>131,718</u>	<u>-</u>
Other receivables	33,638	10,901
GST receivable	15,330	8,770
	<u>180,686</u>	<u>19,671</u>

Impairment of receivables

The consolidated entity has recognised a gain of \$24,924 (2016: \$nil) in profit or loss in respect of impairment of receivables for the year ended 30 June 2017.

The ageing of the impaired receivables provided for above are as follows:

	Consolidated	
	30 June 2017	30 June 2016
	\$	\$
0 to 3 months overdue	527	-
3 to 6 months overdue	959	-
	<u>1,486</u>	<u>-</u>

	Consolidated	
	30 June 2017	30 June 2016
	\$	\$
Additions through business combinations	26,410	-
Unused amounts reversed	(24,924)	-
	<u>1,486</u>	<u>-</u>

Past due but not impaired

Customers with balances past due but without provision for impairment of receivables amount to \$32,348 as at 30 June 2017 (\$nil as at 30 June 2016).

The consolidated entity did not consider there to be a credit risk on the aggregate balances after reviewing the credit terms of customers based on recent collection practices.

The ageing of the past due but not impaired receivables are as follows:

	Consolidated	
	30 June 2017	30 June 2016
	\$	\$
0 to 3 months overdue	<u>32,348</u>	<u>-</u>

Note 11. Current assets - financial assets

	Consolidated	
	30 June 2017	30 June 2016
	\$	\$
Convertible note	-	188,346
	<u>-</u>	<u>188,346</u>

Refer to note 15 for further information on the convertible note.

Note 12. Current assets - other

	Consolidated	
	30 June 2017	30 June 2016
	\$	\$
Prepayments	101,268	181,344
Security deposits	14,859	-
	<u>116,127</u>	<u>181,344</u>

Note 13. Non-current assets - property, plant and equipment

	Consolidated	
	30 June 2017	30 June 2016
	\$	\$
Computer equipment - at cost	32,668	-
Less: Accumulated depreciation	(6,409)	-
	<u>26,259</u>	<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	Computer equipment \$	Total \$
Balance at 16 November 2015	-	-
Balance at 30 June 2016	-	-
Additions	19,045	19,045
Additions through business combinations (note 27)	13,767	13,767
Exchange differences	(144)	(144)
Depreciation expense	(6,409)	(6,409)
Balance at 30 June 2017	<u>26,259</u>	<u>26,259</u>

Note 14. Non-current assets - intangibles

	Consolidated 30 June 2017	30 June 2016
	\$	\$
Goodwill - at cost	12,250,079	-
Computer software and development - at cost	114,313	-
Less: Accumulated amortisation	(43,375)	-
	<u>70,938</u>	-
	<u>12,321,017</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	Goodwill \$	Computer software and development \$	Total \$
Balance at 16 November 2015	-	-	-
Balance at 30 June 2016	-	-	-
Additions	-	5,074	5,074
Additions through business combinations (note 27)	12,250,079	109,239	12,359,318
Amortisation expense	-	(43,375)	(43,375)
Balance at 30 June 2017	<u>12,250,079</u>	<u>70,938</u>	<u>12,321,017</u>

Impairment testing

For the purpose of impairment testing, goodwill is allocated to the one cash generating unit ('CGU'), Kyckr Ireland Limited.

Key assumptions used for value-in-use calculations:

The Group tests whether goodwill has suffered any impairment on at least an annual basis. The recoverable amount of a CGU is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by the Board of Directors covering a two year period. Estimated growth rates and other reasonable assumptions are utilised to further calculate cash flows out to five years from balance date. Cash flows beyond the five year period are extrapolated into perpetuity using estimated terminal growth rates shown below. The following table sets out the key assumptions used for value-in-use calculations:

- Two to five year growth rates 30%
- Long term growth rate 5%
- Weighted average cost of capital 15%

No impairment charge:

Based on the value-in-use calculation methodology and assumptions stated above, the carrying amount the CGU at balance date does not exceed its recoverable amount.

Impact of possible changes in assumptions:

A reasonable possible change in the key assumptions above would not cause the carrying value of the CGU to exceed its recoverable amount.

Note 15. Non-current assets - financial assets

	Consolidated	
	30 June 2017	30 June 2016
	\$	\$
Convertible notes	-	161,439
	<u> </u>	<u> </u>

The convertible note was issued to Kyckr Ireland Limited (formally Global Business Register Limited) (the borrower) prior to the acquisition of the entity. During the year ended 30 June 2017 and subsequent to the acquisition of Kyckr Ireland Limited, the convertible note has been terminated and converted into an intercompany loan which has been eliminated for consolidation purposes.

Note 16. Current liabilities - trade and other payables

	Consolidated	
	30 June 2017	30 June 2016
	\$	\$
Trade payables	189,690	87,428
Accrued expenses	161,468	-
Other payables	59,768	59,157
	<u> </u>	<u> </u>
	<u>410,926</u>	<u>146,585</u>

Refer to note 21 for further information on financial instruments.

Note 17. Current liabilities - provisions

	Consolidated	
	30 June 2017	30 June 2016
	\$	\$
Annual leave	24,290	-
Long service leave	1,790	-
	<u> </u>	<u> </u>
	<u>26,080</u>	<u>-</u>

Note 18. Equity - issued capital

	Consolidated			
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>100,962,186</u>	<u>34,615,385</u>	<u>14,897,543</u>	<u>1,402,966</u>

Note 18. Equity - issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	16 November 2015	-		-
Shares issued		34,615,385	\$0.43	1,501,966
less share issue costs (net of taxation)		-	\$0.00	(99,000)
Balance	30 June 2016	34,615,385		1,402,966
Share cancellation	1 July 2016	(5,912,885)	\$0.10	(591)
Shares issued on acquisition of Kyckr Ireland Limited	1 September 2016	45,278,873	\$0.20	9,055,775
Shares issued at IPO	7 September 2016	25,962,186	\$0.20	5,192,437
Shares issued on acquisition of Kyckr Ireland Limited	23 November 2016	1,018,627	\$0.20	203,725
less share issue costs (net of taxation)*		-	\$0.00	(956,769)
Balance	30 June 2017	<u>100,962,186</u>		<u>14,897,543</u>

*included in share issue costs is \$488,319 of share-based payments granted to the brokers in exchange for services provided in connection with the IPO.

Note 19. Equity - reserves

	Consolidated	
	30 June 2017	30 June 2016
	\$	\$
Foreign currency reserve	(26,091)	-
Share-based payments reserve	<u>1,597,049</u>	-
	<u>1,570,958</u>	-

Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves

Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency \$	Share-based payments \$	Total \$
Balance at 16 November 2015	-	-	-
Balance at 30 June 2016	-	-	-
Foreign currency translation	(26,091)	-	(26,091)
Share-based payments	-	1,597,049	1,597,049
Balance at 30 June 2017	<u>(26,091)</u>	<u>1,597,049</u>	<u>1,570,958</u>

Note 20. Equity - dividends

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

Note 21. Financial instruments

Financial risk management objectives

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity may use derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures, however as at 30 June 2017 and 30 June 2016 there were no derivative financial instruments in place. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the consolidated entity and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the consolidated entity's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The consolidated entity's foreign exchange risk is managed to ensure sufficient funds are available to meet foreign denominated financial commitments in a timely and cost-effective manner. The consolidated entity will continually monitor this risk and consider entering into forward foreign exchange, foreign currency swap and foreign currency option contracts if appropriate.

Creditors and debtors as at 30 June 2017 were reviewed to assess currency risk at year end. The value of transactions denominated in a currency other than the functional currency of the respective subsidiary was insignificant and therefore the risk was determined as not being significant.

At 30 June 2017, the carrying value of foreign currency denominated cash and cash equivalents are as follows:

Consolidated	Assets		Liabilities	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	\$	\$	\$	\$
Euros	1,361,320	-	-	-
Pound Sterling	113,433	-	-	-
	<u>1,474,753</u>	<u>-</u>	<u>-</u>	<u>-</u>

The consolidated entity had cash denominated in foreign currencies of \$1,474,753 as at 30 June 2017 (30 June 2016: \$nil). Based on this exposure, had the Australian dollars weakened by 10%/strengthened by 10% (30 June 2016: weakened by 10%/strengthened by 10%) against these foreign currencies with all other variables held constant, the consolidated entity's profit after tax for the year would have been \$147,475 higher/\$147,475 lower (30 June 2016: \$nil higher/\$nil lower). The percentage change is the expected overall volatility of the significant currencies, based on management's assessment of reasonable possible fluctuations.

Price risk

The consolidated entity is not exposed to any significant price risk.

Note 21. Financial instruments (continued)

Interest rate risk

The consolidated entity is not exposed to any interest rate risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits.

The consolidated entity has no significant credit risk exposure and the maximum exposure at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

Liquidity risk

Vigilant liquidity risk management requires the consolidated entity to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The consolidated entity manages liquidity risk by maintaining adequate cash reserves by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 30 June 2017	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	189,690	-	-	-	189,690
Other payables	-	59,768	-	-	-	59,768
Deferred consideration	-	-	2,600,000	-	-	2,600,000
Total non-derivatives		249,458	2,600,000	-	-	2,849,458

Consolidated - 30 June 2016	Weighted average interest rate %	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Remaining contractual maturities \$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade payables	-	87,428	-	-	-	87,428
Other payables	-	59,157	-	-	-	59,157
Total non-derivatives		146,585	-	-	-	146,585

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 22. Fair value measurement

Fair value hierarchy

The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

Consolidated - 30 June 2017	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Liabilities</i>				
Deferred consideration	-	-	2,556,322	2,556,322
Total liabilities	-	-	2,556,322	2,556,322

There were no transfers between levels during the financial year.

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

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 2 and level 3

The fair value of the deferred consideration is estimated based on a probability of meeting all of the vesting conditions relating to these shares under the terms of the Share Purchase Agreement.

Level 3 assets and liabilities

Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

Consolidated	Deferred consideration \$	Total \$
Balance at 16 November 2015	-	-
Balance at 30 June 2016	-	-
Additions	2,525,711	2,525,711
Unwinding of the discount*	30,611	30,611
Balance at 30 June 2017	<u>2,556,322</u>	<u>2,556,322</u>

* Included as part of finance costs in the Statement of profit or loss and other comprehensive income

The level 3 assets and liabilities unobservable inputs and sensitivity are as follows:

Description	Unobservable inputs	Range (weighted average)	Sensitivity
Deferred consideration	Discount rate	1.46%	0.25% change would increase/decrease fair value by \$5,633

Note 23. Key management personnel disclosures

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	30 June 2017 \$	Consolidated Period from 16 November 2015 to 30 June 2016 \$
Short-term employee benefits	950,149	38,358
Post-employment benefits	47,934	-
Long-term benefits	1,790	-
Share-based payments	1,027,896	-
	<u>2,027,769</u>	<u>38,358</u>

Note 24. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Nexia Sydney Partnership, the auditor of the company:

	30 June 2017 \$	Consolidated Period from 16 November 2015 to 30 June 2016 \$
<i>Audit services - Nexia Sydney Partnership</i>		
Audit or review of the financial statements	35,000	7,000
<i>Other services - Nexia Sydney Partnership</i>		
Financial statement preparation	-	2,500
Income tax advisory services	4,500	12,000
Investigating Accountants services in relation to IPO	-	70,000
	<u>4,500</u>	<u>84,500</u>
	<u>39,500</u>	<u>91,500</u>

Note 25. Related party transactions

Parent entity

Kyckr Limited is the parent entity.

Subsidiaries

Interests in subsidiaries are set out in note 28.

Key management personnel

Disclosures relating to key management personnel are set out in note 23 and the remuneration report included in the directors' report.

Note 25. Related party transactions (continued)

Transactions with related parties

The following transactions occurred with related parties:

	30 June 2017	Consolidated Period from 16 November 2015 to 30 June 2016
	\$	\$
Payment for goods and services:		
Payment for services from director related entity	136,670	-

Payment for services from Director related entity comprise of:

- expenses for consulting services from Boomerang Capital Pty Ltd (director-related entity of Albert Wong and David Cassidy) of \$45,000; and
 - expenses for investor relations services from Barton Place Pty Ltd (director-related entity of Albert Wong) of \$91,670.
- All transactions were made on normal commercial terms and conditions and were at market rates.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 26. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	30 June 2017	Parent Period from 16 November 2015 to 30 June 2016
	\$	\$
Loss after income tax	<u>(2,644,672)</u>	<u>(731,808)</u>
Total comprehensive income	<u>(2,644,672)</u>	<u>(731,808)</u>

Note 26. Parent entity information (continued)

Statement of financial position

	Parent	
	30 June 2017	30 June 2016
	\$	\$
Total current assets	4,039,385	656,304
Total assets	15,828,113	817,743
Total current liabilities	153,679	146,585
Total liabilities	2,710,001	146,585
Equity		
Issued capital	14,897,543	1,402,966
Share-based payments reserve	1,597,049	-
Accumulated losses	(3,376,480)	(731,808)
Total equity	<u>13,118,112</u>	<u>671,158</u>

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

The parent entity had no guarantees in relation to the debts of its subsidiaries as at 30 June 2017 and 30 June 2016.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2017 and 30 June 2016.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2017 and 30 June 2016.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:

- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Investments in associates are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 27. Business combinations

Acquisition of Kyckr Ireland Limited (formerly Global Business Register Limited)

On 1 September 2016, the Company acquired 97.59% of the issued share capital and voting rights of Kyckr Ireland Limited (formerly Global Business Register Limited), a Company based in Ireland, followed by the remaining 2.41% of the issued share capital and voting rights on 23 November 2016. The objective of the acquisition is to invest in business development and technical resources in order to realise the Company's KYC technology solutions. The goodwill of \$12,250,079, can be attributed to the synergies expected to be derived from the combination and the value of the workforce and industry relationships of Kyckr Ireland Limited. Goodwill is not deductible for tax purposes. Kyckr Ireland Limited contributed \$1,356,075 and \$802,566 to the Group's revenues and loss respectively, for the date of the acquisition to 30 June 2017. Had the acquisition occurred on 1 July 2016, the Group's revenue for the year to 30 June 2017 would have been \$1,541,574 and the Group's loss for the period would have been \$3,936,146. The values identified in relation to the acquisition of Kyckr Ireland Limited are final as at 30 June 2017.

Details of the acquisition are as follows:

	Fair value
	\$
Cash and cash equivalents	50,525
Trade receivables	291,680
Plant and equipment	13,767
Intangible assets	109,239
Trade and other payables	(253,009)
Deferred revenue	(145,570)
Borrowings	<u>(531,500)</u>
Net liabilities acquired	(464,868)
Goodwill	<u>12,250,079</u>
Acquisition-date fair value of the total consideration transferred	<u><u>11,785,211</u></u>
Representing:	
Kyckr Limited shares issued to vendor	9,259,500
Contingent consideration	<u>2,525,711</u>
	<u><u>11,785,211</u></u>
Acquisition costs expensed to profit or loss	<u><u>240,524</u></u>
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	11,785,211
Less: cash and cash equivalents	(50,525)
Less: shares issued by company as part of consideration	(9,259,500)
Less: contingent consideration	<u>(2,525,711)</u>
Net cash received	<u><u>(50,525)</u></u>

Note 27. Business combinations (continued)

46,297,500 fully paid ordinary shares were issued to the vendors of Kyckr Ireland Limited in consideration for the acquisition. In addition, 13,000,000 Performance Shares were issued and will convert to fully paid ordinary shares on a one-for-one basis upon meeting the following vesting conditions:

- 50% of the Performance Shares automatically convert upon the Company achieving a turnover of \$5 million or more as set out in the full year or half-yearly financial statements released to the ASX; and
- 50% of the Performance Shares automatically convert upon the Company achieving a turnover of \$10 million or more as set out in its yearly or half-yearly financial statements released to the ASX.

As the deferred consideration vests no earlier than two years from the date of issue, the amount has been discounted by the two-year government bond rate of 1.46% p.a. The finance costs incurred during the period with respect to the unwinding of the discount was \$30,611 and is included in finance costs, which in addition to the \$2,525,711 gives a balance at 30 June 2017 of \$2,556,322. The Performance Shares expire four years from the date of acquisition in the event that the above vesting conditions are not met.

Note 28. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		30 June 2017 %	30 June 2016 %
Kyckr Ireland Limited	Ireland	100.00%	-

Note 29. Events after the reporting period

No matter or circumstance has arisen since 30 June 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Note 30. Reconciliation of loss after income tax to net cash used in operating activities

	30 June 2017 \$	Consolidated Period from 16 November 2015 to 30 June 2016 \$
Loss after income tax expense for the year	(3,447,237)	(731,808)
Adjustments for:		
Depreciation and amortisation	49,784	-
Share-based payments	1,108,730	-
Foreign exchange differences	(25,947)	-
IPO transaction costs	99,264	212,878
Costs associated with acquisitions	240,524	359,525
Non-cash finance costs	30,611	-
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	115,806	(27,024)
Decrease in prepayments	80,076	-
Increase/(decrease) in trade and other payables	(244,527)	146,586
Increase in employee benefits	26,080	-
Net cash used in operating activities	<u>(1,966,836)</u>	<u>(39,843)</u>

Note 31. Earnings per share

	30 June 2017	Consolidated Period from 16 November 2015 to 30 June 2016
	\$	\$
Loss after income tax attributable to the owners of Kyckr Limited	<u>(3,447,237)</u>	<u>(731,808)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>87,847,758</u>	<u>32,773,280</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>87,847,758</u>	<u>32,773,280</u>
	Cents	Cents
Basic earnings per share	(3.92)	(2.23)
Diluted earnings per share	(3.92)	(2.23)

For the purpose calculating the diluted earnings per share the calculation has excluded the number of options as the effect would be anti-dilutive.

Note 32. Share-based payments

The following options and performance rights were issued during the year ended 30 June 2017:

- On 1 September 2016, 4,000,000 unlisted options were granted to brokers associated with the Initial Public Offering ('IPO') of the company. The exercise price of the options of \$0.20 was equal to the IPO price. The contractual life of each option is four years.
- On 1 September 2016, 4,000,000 unlisted options were granted to Key Management Personnel. The exercise price of the options of \$0.30 was 50% higher than the Initial Public Offering price. The options are exercisable upon meeting certain revenue targets within four years from the date of grant. The contractual life of each option is four years
- On 1 September 2016, 20,000,000 performance rights were granted to certain Directors and Key Management Personnel. The performance rights are exercisable at Nil value. 50% of the performance rights automatically convert upon the Company achieving a turnover of \$5 million or more as set out in the full year or half-yearly financial statements released to the ASX; and 5% of the Performance rights automatically convert upon the Company achieving a turnover of \$10 million or more as set out in its yearly or half-yearly financial statements released to the ASX. The contractual life of each performance right is four years.
- On 30 November 2016, 2,000,000 unlisted options exercisable at \$0.30 were granted to senior executives under the Long Term Incentive Plan approved by shareholders at the Annual General Meeting held on 30 November 2016. The exercise price of the options of \$0.30 was 22.45% higher than market price of the shares on the date of grant. The vesting of these options is conditional on continued employment until the vesting date, being two years from grant date. The contractual life of each option is four years.
- On 30 November 2016, 3,000,000 unlisted options exercisable at \$0.30 were granted to non-executive directors as approved by shareholders at the Annual General Meeting held on 30 November 2016. The exercise price of the options of \$0.30 was 22.45% higher than market price of the shares on the date of grant.

Note 32. Share-based payments (continued)

Set out below are summaries of options granted under the plan:

30 June 2017

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
30/11/2016	30/11/2020	\$0.30	-	3,000,000	-	-	3,000,000
30/11/2016	30/11/2020	\$0.30	-	2,000,000	-	-	2,000,000
01/09/2016	01/09/2020	\$0.30	-	4,000,000	-	-	4,000,000
01/09/2016	01/09/2020	\$0.20	-	4,000,000	-	-	4,000,000
			-	13,000,000	-	-	13,000,000

Weighted average exercise price	\$0.00	\$0.27	\$0.00	\$0.00	\$0.27
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Set out below are the options exercisable at the end of the financial year:

Grant date	Expiry date	30 June 2017 Number	30 June 2016 Number
30/11/2016	30/11/2020	1,333,333	-
01/09/2016	01/09/2020	4,000,000	-
		<u>5,333,333</u>	<u>-</u>

The weighted average share price during the financial year was \$0.20.

The weighted average remaining contractual life of options outstanding at the end of the financial year was 3.27 years.

Set out below are summaries of performance rights granted under the plan:

30 June 2017

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
01/09/2016	01/09/2020	\$0.00	-	7,000,000	-	-	7,000,000
			-	7,000,000	-	-	7,000,000

No performance rights are exercisable at the end of the year.

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 3.18 years.

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
30/11/2016	30/11/2020	\$0.00	\$0.20	83.80%	-	1.91%	\$0.14
30/11/2016	30/11/2020	\$0.00	\$0.20	83.80%	-	1.91%	\$0.14
01/09/2016	01/09/2020	\$0.20	\$0.30	83.80%	-	1.56%	\$0.11
01/09/2016	01/09/2020	\$0.20	\$0.20	83.80%	-	1.56%	\$0.12

Note 32. Share-based payments (continued)

For the performance rights granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date, are as follows:

Grant date	Expiry date	Share price at grant date	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
01/09/2016	01/09/2020	\$0.20	83.80%	-	1.56%	\$0.20

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2017 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors



John Van Der Wielen
Chairman



David Cassidy
Director

29 September 2017
Sydney

Independent Auditor's Report to the Members of Kyckr Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Kyckr Limited (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year then ended; and
- ii) complying with Australian Accounting Standards and *the Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the 'auditor's responsibilities for the audit of the financial report' section of our report. We are independent of the entity in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report, which highlights that the Group incurred a net loss of \$3,447,237, experienced operating cash outflows of \$1,966,836 during the year ended 30 June 2017 and is forecasting a loss for the next financial year. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key audit matter

How our audit addressed the key audit matter

Recoverability of goodwill

Refer to note 14

The carrying value of the Group's intangible assets included goodwill of \$12,250,079 arising from the acquisition of Kyckr Ireland during the year.

The assessment of recoverability of the goodwill required a significant degree of management judgement given the short trading history of the Group and the inherent uncertainties in the key assumptions used in the assessment of future cash flows in particular revenues, earnings before interest and the discount rate.

Our procedures included, amongst others:

- We evaluated management's process for developing the cash flow forecasts;
- We tested the mathematical accuracy of the underlying 'value-in-use' calculations;
- We assessed and challenged the appropriateness of the inputs into management's calculations as follows:
 - Comparing and calculating revenue and expense cash flows with both historical performance and new business avenues announced to the market;
 - Comparing growth rates with the performance of other IT start-ups;
 - Benchmarking the discount rate used with an acceptable range of entities;
- We performed sensitivity calculations for changes to the key inputs to management's model;
- We compared the net assets of the Group to the Group's market capitalisation at year-end.

Business combination

Refer to note 27

During the year Kyckr Limited acquired 100% of the share capital of Kyckr Ireland Limited (a company incorporated in Ireland). The business combination is considered to be a key audit matter due to the material size and complexity of the transaction. The nature of the business combination is also considered a significant focus for users of the accounts.

Our procedures included, amongst others:

- We read the share sale agreement and the subsequent amendment deeds to understand the key terms and conditions;
- We verified management's assessment of the transaction being accounted for as a business combination with Kyckr Limited as the acquirer;
- We identified the elements of the consideration included in the agreements and agreed the treatment of these to the calculation of the business combination;
- We assessed management's rationale for recognising only goodwill on acquisition and whether any material identifiable intangible assets should be recognised on acquisition;
- We identified the performance requirements for the deferred consideration, assessed management's treatment as a financial liability and the estimation of achieving the performance targets;
- We recalculated the fair value of the deferred consideration at year-end;
- We assessed the adequacy of the disclosures in accordance with AASB 3 *Business Combinations*.

Other information

The directors are responsible for the other information. The other information comprises the information in Kyckr Limited's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information we are required to report that fact. We have nothing to report in this regard.

Directors' responsibility for the financial report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibility for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at The Australian Auditing and Assurance Standards Board website at: www.auasb.gov.au/auditors_responsibilities/ar1.pdf. This description forms part of our auditor's report.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 10 to 17 of the directors' Annual Report for the year ended 30 June 2017.

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In our opinion, the Remuneration Report of Kyckr Limited for the year ended 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



Sydney Audit Partnership



Lester Wills

Partner

Dated: 29/09/2017
Sydney

The shareholder information set out below was applicable as at 22 September 2017.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders of ordinary shares	Number of holders of options and rights over ordinary shares
1 to 1,000	7	-
1,001 to 5,000	124	-
5,001 to 10,000	168	-
10,001 to 100,000	326	-
100,001 and over	89	14
	<u>714</u>	<u>14</u>
Holding less than a marketable parcel	<u>19</u>	<u>-</u>

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Number held	Ordinary shares % of total shares issued
Mr Robert Leslie	9,619,247	9.53
Citicorp Nominees Pty Limited	9,031,760	8.95
Mr Benjamin Cronin	8,519,129	8.44
Mr David Cassidy	4,930,212	4.88
Mr John Murray	4,230,703	4.19
Mr Richard Wood	4,230,703	4.19
Kajo Investments Pty Limited	3,492,794	3.46
Mr Robert Leslie & Mr Benjamin Cronin (GBR Emp Stock Opt A/C)	3,395,428	3.36
HSBC Custody Nominees (Australia) Limited - A/C 2	3,224,406	3.19
Globalsign NV/SA	3,055,885	3.03
Barton Place Pty Limited (The Albert Wong Family A/C)	2,485,256	2.46
Global Business Register Asia Pacific Pte Ltd	2,482,872	2.46
Barton Place Holdings Pty Limited (Barton Place Holdings S/F)	2,444,956	2.42
Walker Martin Super Pty Ltd (The Martin Super Fund A/C)	2,000,000	1.98
BNP Paribas Nominees Pty Ltd HUB24 Custodial Serv Ltd DRP	1,805,000	1.79
Simona Boscolo Bragadin	1,086,537	1.08
Amandri Pty Ltd (Amandri A/C)	1,035,801	1.03
Noel Whittaker Holdings Pty Ltd (Whittaker Family Super A/C)	1,027,898	1.02
Mr Michael John Anderson (M J A A/C); Mr Peter Barrett Capp; and Victoria Jane Brooke Pty Ltd (Nitram Macarthur Super Fund) each hold 1,000,000 ordinary shares	<u>3,000,000</u>	<u>2.97</u>
	<u>71,098,587</u>	<u>70.43</u>

Unquoted equity securities

	Number on issue	Number of holders
Options over ordinary shares issued	13,000,000	9
Performance rights over ordinary shares	20,000,000	5

The following persons hold 20% or more of unquoted equity securities:

Name	Class	Number held
Fosters Stockbroking Pty Ltd	Options over ordinary shares	2,741,159
Mr Robert Leslie	Performance rights over ordinary shares	6,500,000
Mr Benjamin Cronin	Performance rights over ordinary shares	6,500,000

Substantial holders

Substantial holders in the company are set out below:

	Number held	Ordinary shares % of total shares issued
Mr Robert Leslie	9,619,247	9.53
Citicorp Nominees Pty Limited	9,031,760	8.95
Mr Benjamin Cronin	8,519,129	8.44

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

There are no other classes of equity securities.

Restricted securities

Class	Expiry date	Number of shares
Ordinary Shares	7 September 2018	35,486,298
Options over ordinary shares	7 September 2018	<u>8,000,000</u>
		<u><u>43,486,298</u></u>

