27 August 2020

Release of RooLife Group Ltd's financial results for the year ended 30 June 2020

e-Commerce and digital marketing company RooLife Group Ltd (**ASX: RLG**) ("**RooLife Group**" or the "**Company**") provides the following for release:

1. Appendix 4E – preliminary final report; and
2. Annual report for the year ended 30 June 2020.

ENDS

Issued by: RooLife Group Ltd
Authorised by: The Board of RooLife Group Ltd

For further information, please visit the RooLife website at www.roolifegroup.com.au or contact:

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1. Reporting periods

Current Reporting Period:	30 June 2020
Previous Corresponding Period:	30 June 2019

2. Results for announcement to the market

	Year ended 30 June 2020 $'000	**Year ended 30 June 2019 $'000**	**Increase / (Decrease) $'000**	**% Change**
Revenue from continuing operations	2,967	706	2,261	320%
Loss before income tax benefit	(3,444)	(3,529)	85	(2%)
Income tax benefit	1	220	(219)	(100%)
Net loss for the year	(3,443)	(3,309)	(134)	4%

The Company also recorded other revenue of $403k during the year.

At balance date, the Company held $1,342,942 (30 June 2019: $2,093,478), in cash.

The Company successfully completed placements to raise a total of $2,431,498, less costs, during the year.

Subsequent to year end, on 21 August 2020, the Group announced that it will undertake a non-renounceable entitlement issue to raise up to $5,492,518. Additionally, subsequent to year end, on 27 August 2020, the Group completed a placement to sophisticated and professional investors to raise $766,397, before costs, via an issue of 25,546,595 ordinary shares at $0.03 each.

The attached Annual Report contains a detailed review of operations for the year.

3. Dividends

No dividends were declared or paid during the year.

4. Net tangible asset backing

	2020 $	2019 $
Net assets ($)	**4,577,705**	5,250,974
Less intangible assets and goodwill ($)	**(3,971,828)**	(3,616,597)
Net tangible assets of the Company ($)	**605,877**	1,634,377
Fully paid ordinary shares on issue at balance date (number)	**340,621,291**	258,264,140
Net tangible asset backing per issued ordinary share at balance date	**0.0018**	0.0063

5. Control gained over entities

As announced by the Company on 4 December 2019, RooLife Group Ltd completed the acquisition of QBID Holdings Pty Ltd.

Refer to note 20 of the Annual Report for further information in respect to the entities acquired during the year.

6. Loss of control over entities

Not applicable.

7. Details of associates and joint venture entities

Not applicable.

8. Foreign entities accounting framework

Foreign entities comply with International Financial Reporting Standards (IFRS).

9. Audit opinion

The financial statements have been audited and an unqualified opinion has been issued. The independent audit report includes a paragraph referring to a material uncertainty relating to going concern.

10. Attachments

The Annual report of RooLife Group Limited for the year ended 30 June 2020 is attached and forms part of the Appendix 4E.

RooLife Group Ltd

(previously OpenDNA Ltd)

ABN 14 613 410 398

Annual Report
30 June 2020

Contents

Corporate information

ABN 14 613 410 398

Directors

G Pestell	*Non-Executive Chairman*
T Allison	*Non-Executive Director*
W Barry	*Executive Sales Director*
B Carr	*Managing Director and Chief Executive Officer*

Company secretary
P Torre

Registered office
Unit B9, 1st Floor
431 Roberts Road
Subiaco WA 6000

Tel: +61 (8) 6444 1702

Principal place of business
68 Milligan Street
Perth WA 6000

Tel: +61 (8) 6444 1702

Share register
Computershare Investor Services Pty Ltd
Level 11, 172 St Georges Terrace
Perth WA 6000

Tel: +61 (8) 9323 2000

Solicitors
Murcia Pestell Hillard
Suite 183, Level 6
580 Hay Street
Perth WA 6000

Bankers
National Australia Bank
Level 14, 100 St Georges Terrace
Perth WA 6000

Auditors
HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000

Securities Exchange Listing
RooLife Group Ltd shares and options are listed on the Australian Securities Exchange (ASX: RLG and RLGO)

Website address
www.roolifegroup.com.au

Directors' report

Your directors present their report on the consolidated entity (referred to hereafter as the 'Group') consisting of RooLife Group Ltd ('RooLife' or the 'Company') and the entities it controlled at the end of, or during, the year ended 30 June 2020. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

Directors

The names of directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated.

G Pestell LL.B.
Non-Executive Chairman
Experience and expertise
Independent non-executive chairman since July 2016. Founding director of Murcia Pestell Hillard solicitors, who act for the Company. Over 20 years' experience in commercial litigation, corporate and commercial law with extensive experience advising both listed and private companies particularly in the Information & Technology, Energy Resources and Mining Resources Industries; and Managing Director of Murcia Pestell Hillard since 2000.

Other current listed directorships
Non-Executive Director of COSOL Limited from August 2019.

Former listed directorships in the last 3 years
ASG Group Limited from May 2014 to December 2016.

Interests in shares and options
5,726,626 ordinary shares in RooLife.
6,500,000 options over ordinary shares in RooLife.

T Allison B. Com, MBA, GAICD
Non-Executive Director appointed 3 February 2020
Experience and expertise
Tim has extensive digital and e-Commerce experience and a successful track record in commercialisation and scaling across a range of technology businesses, from traditional retail and distribution to cutting-edge consumer technology in the online and mobile sectors. He has proven experience in growing export value and delivering strong operational results in international markets for technology businesses, including structuring, negotiating and managing joint ventures in China. Tim is currently Executive Director and Chairman of Custom Innovation Company and Executive Director of Tec. Fit, a B2B cloud based SaaS licensing company focused on providing world-class technology solutions to the fashion industry and collaborating with for Universities focused on innovation and cutting edge 3D/2D scanning and 3D printing.

Other current listed directorships
None.

Former listed directorships in the last 3 years
None.

Interests in shares and options
Nil ordinary shares in RooLife.
Nil options over ordinary shares in RooLife.

Directors' report (continued)

Directors (continued)

Bryan Carr BSC.
Managing Director and Chief Executive Officer
Experience and expertise

Bryan is an experienced ASX public company Managing Director and Chief Executive Officer with extensive operating experience in Australia and China.

He has over 20-years' experience working in technology companies in the private and public company environment where he has developed proven business development skills and comprehensive corporate governance, finance, capital markets and risk management expertise.

In addition to his experience in the Australian corporate environment, Bryan has a highly developed understanding of Asia-based business operations, including 10 years based in China during which time he developed an in-depth understanding of China and Hong Kong's commercial, corporate and regulatory operating requirements.

Other current listed directorships
None.

Former listed directorships in the last 3 years
SmartTrans Holdings Limited from July 2016 to June 2018

Interests in shares, options and performance shares
3,452,381 ordinary shares in RooLife.
12,000,000 options over ordinary shares in RooLife.
6,904,762 performance shares.

Warren Barry BSC, MBA.
Executive Sales Director
Experience and expertise
Warren has been involved in the digital space for over 22 years and has been actively involved in taking several companies to ASX listing. He has setup and sold several digital agencies over the years as well as being a former CEO of publicly listed Company Gruden. Warren has a BSC from UNSW and a MBA from UWA. Warren's key area of focus is developing online strategies for companies but also working with them on developing ways to commercialise and monetise their digital footprint. Over his journey to date, Warren has worked with very high-profile clients including Telstra, AFL, CUB, Betta, Sydney Airports, Adelaide Airports, Curves Gym, Shop a Docket, Sealink and The Agency to name a few.

Other current listed directorships
None.

Former listed directorships in the last 3 years
None.

Interests in shares, options and performance shares
7,619,047 ordinary shares in RooLife.
8,000,000 options over ordinary shares in RooLife.
15,238,095 performance shares.

Directors' report (continued)

Directors (continued)

E Cross B. Bus, FAICD.
Non-Executive Director resigned 31 January 2020
Experience and expertise
Independent non-executive director since July 2016. A career corporate adviser with more than 30 years' experience in corporate finance, investment banking and mergers and acquisitions. Evan has also held executive director roles in a number of private and ASX-listed companies across a wide range of industries including technology, healthcare, mining and food and beverage.

Other current listed directorships
Dreamscape Networks Limited, since April 2016.

Former listed directorships in the last 3 years
MyFiziq Limited from October 2014 to October 2016.
Activistic Limited from July 2015 to April 2017.
Ephraim Resources Limited from January 2017 to June 2017.

Interests in shares and options
971,969 ordinary shares in RooLife.
1,800,000 options over ordinary shares in RooLife.

Company Secretary
The company secretary is P Torre CA, AGIA, MAICD.
Peter was appointed to the position of company secretary in March 2017. Peter is the principal of Torre Corporate, a specialist corporate advisory firm providing corporate secretarial services to a range of listed companies. He is a director of ASX listed Mineral Commodities Ltd, Zenith Energy Ltd, VEEM Ltd and Volt Power Group Limited.

Principal Activities

The entity's principal activities are the provision of fully integrated digital marketing and customer acquisition services driving online sales of products and services for its clients in Australia and China. Powered by the RooLife Group hyper personalisation and profiling Artificial Intelligence System, the RooLife Group provides personalised real-time, targeted marketing, with a key focus on driving sales via the Company's e-Commerce marketplaces, enabling businesses to sell directly to Chinese consumers and accept payment via the Wechat and Alipay mobile payments platforms.

Review of Operations
RooLife Group enables businesses to sell more effectively online, with a focus on the Australian and Chinese markets. The Company's systems optimise online engagement, customer acquisition and direct sales for its customers.

The Company provides fully integrated digital marketing and customer acquisition services, powered by the RooLife Group hyper-personalisation and profiling tools, providing personalised real-time, targeted marketing.

With a key focus on driving sales in Australia and China, the Company's RooLife online e-Commerce marketplaces assist businesses to sell directly to Chinese consumers and accept payment via the WeChat and Alipay mobile payments platforms.

The key milestones for the Group during the year were:

- Expansion of customer base and revenue streams both in Australia and China;
- Delivery of the RooLife Online Shopping platform through its partnership with Perth Airport;
- Partnership with and strategic investment from founders of Lobster Shack;
- Completion of the acquisition of Quality Brands International Direct ("QBID");
- Global Expansion underway signing:
    - US-based Small Worlds Brands;
    - U.K.-based SLG Brands; and
    - New Zealand's AFT Pharmaceuticals;
- Appointed Alipay marketing partner; and
- Completed company name change to RooLife Group Ltd.

Directors' report (continued)

Review of Operations (continued)

Digital Marketing Services

During the year, the Company secured a range of new customers and revenue streams in Australia for the provision of its digital marketing and customer acquisition services and deployed its hyper-personalisation and profiling Artificial Intelligence (AI) engine which provides personalised real-time, targeted marketing for its clients.

The Company added China-specific digital marketing and customer acquisition expertise with a team based in Guangzhou, China, with the Group subsequently appointed the digital marketing and e-commerce distributor for the Nuria Beauty skincare range and COLAB Dry Shampoo range in China. Both these contracts are expected to make a substantial contribution to Group revenue during the duration of the contracts. The Group is also well placed to continue driving sales for these customers and others including AFT Pharmaceuticals, through additional E-commerce platforms, in line with the strong demand online for its products in China.

Delivery of the RooLife Online Shopping Platform

The Group announced its partnership with Perth Airport in August 2019 and commenced implementation of the Perth Airport RooLife Online Shopping platform to sell Perth Airport's retail products online to Chinese travellers both in Australia and China.

The platform was delivered in December 2019 in preparation for Christmas and Chinese New Year travel periods to sell Perth Airport's retail products online to Chinese travellers both in Australia and China.

The Group provides all services to assist Perth Airport to generate sales to Chinese consumers through the RooLife platform, providing its online licensing for China, system hosting, marketing design, translation, sales promotion and management services to support and drive e-Commerce sales to Chinese shoppers.

Partnership with Lobster Shack

In September 2019 the Group signed on iconic Western Australian tourist attraction, Lobster Shack to provide marketing and Chinese mobile payment processing to service the Chinese tourism market. In addition to the provision of marketing and payment processing services, a strategic placement of $500,000 was agreed to the Thompson Family, founders of the Lobster Shack restaurant and Indian Ocean Rock Lobster, the seafood processing facility in Cervantes WA exporting live lobsters and a range of seafood products to China and other markets.

Acquisition of QBID

In December 2019, RooLife completed the acquisition of China market entry and digital marketing company, Quality Brands International Direct ("QBID"), expanding the Company's China-focussed digital marketing capability, e-commerce platforms expertise and sales outlets for International products in China.

The acquisition was completed with the payment of $50,000 in cash and the issue of 12,938,605 shares which are escrowed, for 12 months, with $150,000 agreed to be applied to working capital for the business. Further consideration is payable upon achievement of agreed revenue milestones, details of which are outlined in Note 20. The acquisition extends the services of the Group by adding additional China-based digital marketing, translation, logistics, warehousing, trade regulation and e-Commerce platform marketing experience.

Appointed Alipay Marketing Partner

In April 2020, the Group entered into an agreement with China's Alipay.com, whereby RooLife was appointed as an Alipay marketing partner. RooLife will provide online store management, marketing and online coupon management services for merchants and retailers, drive engagement online with Chinese consumers and facilitate payments using Alipay.

Global Growth Strategy

During the year RooLife expanded its client base internationally securing contracts with US-based Small Worlds Brands for the marketing. sale and distribution of its Nuria skincare products in China, U.K.-based SLG Brands for the marketing and sale of its well-established COLAB Dry Shampoo in China and was appointed by New Zealand's AFT Pharmaceuticals to market and build its brand awareness in China, ultimately leading to the appointment of RooLife to launch and operate an online New Zealand Health Store in China.

Operating results for the year

The Group has earned revenue and other income of $3,397,120 (30 June 2019: $711,725) with cash receipts of $2,871,038, (30 June 2019: $983,671), and the consolidated loss attributable to members of the Group was $3,442,596 (30 June 2019: $3,309,485).

Directors' report (continued)

Operating results for the year (continued)
The 2020 Financial Year (FY2020) was a defining year for the Company, in which it established a strong digital marketing and e-Commerce capability in China to augment the digital marketing team in Australia.

Total revenue and income grew to $3.4m from $711k the previous year as the company grew its client and revenue base. 37% of the Company's revenue was derived from China operations and 63% from Australia-based operations in FY2020.

With the Company securing a range of new contracts for its China operations in the latter part of the financial year, the Company expects that segment revenue will become predominantly China based through FY2021, delivering both revenue and margin growth.

The Company successfully expanded its global client base and now boasts clients from New Zealand, U.S.A. and the United Kingdom, in addition to its Australia-based clients, and is experiencing strong interest in its business offering and services with the global growth and uptake of e-commerce in turn contributing to the Company's growth.

Whilst the Company was initially impacted by the COVID-19 pandemic in China commencing in January 2020, by the close of the financial year business operations and logistics had bounced back. The Company is well positioned to benefit from increased activity and uptake of e-commerce globally and specifically in China which is supported by the significant contract wins announced through the latter part of the 2020 Financial Year.

The circumstances have presented an environment which plays to RooLife's strength – as an online digital marketing and e-Commerce business driving online engagement and sales for our clients, our capability and reach in China the largest e-Commerce market in the world, is in high demand.

In Australia, business operations were initially impacted by the COVID-19 from March onwards leading to the company re-configuring key aspects of its business operations, including re-locating some business activities from Australia to China which is expected to benefit the business commercially moving forward.

Through Financial Year 2020, RooLife focussed on the development of the company's business model and capability. The Company closes the year with a well-defined business model, a growing global customer and revenue base with a strong capability and reach in China, the largest e-Commerce market in the world.

The company enters Financial Year 2021 well positioned for growth.

During the year, the Company successfully completed placements to raise a total of $2,431,498, less costs. At balance date, the Company held $1,342,942 (30 June 2019: $2,093,478), in cash to be applied to general working capital to expand the RooLife business.

Significant changes in the state of affairs
Other than disclosed elsewhere in this report, there have been no significant changes in the state of affairs of the Group to the date of this report.

Dividends
No dividends have been paid or declared since the start of the financial year and the directors do not recommend the payment of a dividend in respect of the financial year.

Significant events after balance date
On 21 August 2020, the Group announced that it will undertake a non-renounceable entitlement issue of 1 share for every 2 shares held by shareholders registered at the record date at an issue price of $0.03 per share, together with 1 free attaching Option for every 1 share. Based on the capital structure of the Company (assuming no existing options or performance shares are exercised prior to record date), a maximum of 183,083,944 shares and 183,083,944 options will be issued pursuant to the entitlements issue to raise up to $5,492,518. No funds will be raised from the issue of the options.

Included in the entitlement issue is a shortfall offer which will allow Shareholders to apply for additional shares and attaching options in excess of their entitlements.

On 27 August 2020, the Group completed a placement to sophisticated and professional investors to raise $766,397, before costs, via an issue of 25,546,595 ordinary shares at $0.03 each.

Other than noted above, there has been no additional matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Directors' report (continued)

Likely developments and expected results
Disclosure of information regarding likely developments in the operations of the Group in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Therefore, this information has not been presented in this report.

Directors' Meetings
The number of board meetings of the Company's board of directors held during the year ended 30 June 2020, and the number of meetings attended by each director are set out below. As set out in the Company's Corporate Governance Statement, the Company does not currently have any fully constituted committees, however, matters typically dealt with by an Audit and Risk Committee, and a Remuneration and Nomination Committee are dealt with in full board meetings as and when required.

	Board Meetings
Number of meetings held:	11
Number of meetings attended:	
G Pestell	11
T Allison [1]	7
W Barry	11
B Carr	11
E Cross [2]	4

[1] Appointed 3 February 2020; 7 meetings held whilst a director.
[2] Resigned 31 January 2020; 4 meetings held whilst a director.

Other matters of Board business have been resolved by circular resolution of directors, which are a record of decisions made at a number of informal meetings of the directors held to control, implement and monitor the Company's activities throughout the year.

Interests in the shares, options and performance shares of the Company and related bodies corporate

At the date of this report, shares, options, performance shares granted to Directors of the Company and the entities it controlled are:

Directors	Fully paid ordinary shares Number	Share options Number	Performance shares Number
G Pestell	5,726,626	6,500,000	-
T Allison	-	-	-
E Cross	971,969	1,800,000	-
B Carr	3,452,381	12,000,000	6,904,762
W Barry	7,619,047	8,000,000	15,238,095
	17,770,023	28,300,000	22,142,857

Directors' report (continued)

Unissued shares under option

At the date of this report unissued ordinary shares of the Company under option are:

Date options granted	Number of shares under option	Exercise price of option	Expiry date of option
9 September 2016	3,000,000	$0.35	30 June 2021
9 September 2016	3,000,000	$0.40	30 June 2023
11 November 2016	2,000,000	$0.30	11 November 2020
18 January 2017	600,000	$0.35	18 January 2021
18 January 2017	600,000	$0.40	18 January 2022
28 September 2018	7,214,307	$0.05	31 October 2021
23 November 2018	53,500,000	$0.05	31 October 2021
1 February 2019	10,000	$0.05	31 October 2021
13 May 2019	16,666,667	$0.05	31 October 2021
28 June 2019	11,333,333	$0.05	31 October 2021
05 March 2020	20,000,000	$0.55	31 October 2021
06 March 2020	31,455,821	$0.05	31 October 2021
	149,380,128		

Shares issued during or since the end of the year as a result of exercise
No ordinary shares have been issued by the Company during or since the end of the financial year as a result of the exercise of an option.

Remuneration report
The Remuneration Report, which forms part of the Directors' report, outlines the remuneration arrangements in place for the Key Management Personnel of the Group for the financial year ended 30 June 2020 and is included on page 10.

Environmental legislation
The Group is not subject to any significant environmental legislation.

Indemnification and insurance of Directors and Officers
The Company has agreed to indemnify all the directors of the Company for any liabilities to another person (other than the Company or related body corporate) that may arise from their position as directors of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

During the financial year the Company paid a premium in respect of a contract insuring the directors and officers of the Company and its controlled entities against any liability incurred in the course of their duties 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.

Non-Audit Services
Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 22 to the financial statements. The directors are satisfied that the provision of non-audit services 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 do not compromise the auditor's independence as all non-audit services have been reviewed to ensure that they do not impact the impartiality and objectivity of the auditor and none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110: *Code of Ethics for Professional Accountants* issued by the Accounting Professional & Ethical Standards Board.

Auditor Independence and Non-Audit Services
Section 307C of the Corporations Act 2001 requires our auditors, HLB Mann Judd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the financial report. This Independence Declaration is set out on page 20 and forms part of this directors' report for the year ended 30 June 2020.

Directors’ report (continued)

Proceedings on behalf of the Company
No person has applied for leave of court to bring proceedings on behalf of the Company or 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 any part of those proceedings.

Signed in accordance with a resolution of the directors.

B. E. Carr.

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Bryan Carr
Managing Director and Chief Executive Officer
Perth, 27 August 2020

Remuneration report

This report, which forms part of the directors' report, outlines the remuneration arrangements in place for the key management personnel ("KMP") of RooLife Group Ltd for the financial year ended 30 June 2020. The information provided in this remuneration report has been audited as required by Section 308(3C) of the Corporations Act 2001.

The remuneration report details the remuneration arrangements for KMP who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether executive or otherwise) of the Group.

Key Management Personnel

The directors and other key management personnel of the Group during or since the end of the financial year were:

Directors	
G Pestell	Non-Executive Chairman
T Allison	Non-Executive Director (appointed 3 February 2020)
B Carr	Managing Director and Chief Executive Officer
W Barry	Executive Sales Director
E Cross	Non-Executive Director (resigned 31 January 2020)
Executives	
J Gray	Chief Financial Officer
R Francis	Chief Technical Officer (appointed 13 January 2020)
G Irwin	Chief Technical Officer (resigned 15 November 2019)

Except as noted, the named persons held their current positions for the whole of the financial year and since the financial year.

Remuneration philosophy
The performance of the Company depends upon the quality of the directors and executives. The philosophy of the Company in determining remuneration levels is to:

- set competitive remuneration packages to attract and retain high calibre employees;
- link executive rewards to shareholder value creation; and
- establish appropriate, demanding performance hurdles for variable executive remuneration.

Other than the performance bonus scheme applicable to certain employees, remuneration is not linked to Group performance.

Remuneration Committee
The Company does not have a separate remuneration committee until such time as the board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude for a separate committee to be of benefit to the Company.

The full board carries out the duties that would ordinarily be assigned to that committee, ensuring that the level and composition of remuneration provided to attract and retain high quality directors and employees is commercially appropriate and targeted to align with the interests of the Company whilst not resulting in a conflict with the objectivity of its independent directors.

The board of directors of the Company is responsible for determining and reviewing compensation arrangements for the directors, the CEO and the executive team.

The board assesses the appropriateness of the nature and amount of remuneration of directors and executives on a periodic basis by reference to relevant employment market conditions with an overall objective of ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team.

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

Remuneration report (continued)

Use of remuneration consultants
Independent external advice is sought from remuneration consultants as required. A Benchmarking Report was procured during the year to ensure the level of remuneration for the Company's Managing Director/CEO and Executive Sales Director was in line with market and commensurate with the level of services being undertaken. Remuneration was amended where necessary and Long-Term Incentives were awarded upon shareholder approval in March 2020.

Non-executive director remuneration
The Board seeks to set aggregate remuneration at a level that provides the Company with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

The Constitution of the Company provides that the directors may determine the remuneration of directors prior to the first annual general meeting of the Company. The fees determined by the directors are set out below. The ASX Listing Rules specify that the aggregate remuneration of non-executive directors shall be determined from time to time by a general meeting. The Company will seek the approval of shareholders in the event the directors' fees are increased beyond the levels stated.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors will be reviewed annually. The Board may consider advice from external shareholders as well as the fees paid to non-executive directors of comparable companies when undertaking the annual review process.

Each Director receives a fee for being a director of the Company. An additional fee will also be paid for each board committee on which a director sits when such board committees are established. The payment of additional fees for serving on a committee recognises the additional time commitment required by directors who serve on one or more sub committees.

The Company has entered into non-executive director contracts for services with each of Messrs Pestell, Allison and Cross. Each such contract is on broadly similar terms, which include the following:

- Term: Continuation of appointment is subject to and contingent upon the fulfilment of the obligations of a non-executive director under the ASX Listing Rules, the Constitution of the Company and the Corporations Act, and the successful re-election by the Company shareholders.

- Fixed fee:

  - Mr Pestell: A$71,175 per annum;

  - Mr Allison: A$45,000 per annum plus superannuation (appointed 3 February 2020); and

  - Mr Cross: A$45,000 per annum plus superannuation (resigned 31 January 2020)

The non-executive directors may be entitled to such additional fees or other amounts as the board determines (in its absolute discretion) where performing special duties or otherwise performing services outside the scope of the ordinary duties of a director.

The non-executive directors may also be reimbursed for out of pocket expenses incurred as a result of their respective directorships or any special duties upon production of the relevant receipts.

Role: The non-executive directors are expected to attend regular board meetings involving a minimum commitment of 10 hours per month, as well as attending the annual general meeting of the Company and informal meetings and consider general correspondence from time to time.

Executive director and senior manager remuneration
Remuneration consists of fixed remuneration and variable remuneration (comprising short-term and long-term incentive schemes).

<u>Fixed Remuneration</u>
Fixed remuneration is reviewed annually by the board. The process consists of a review of relevant comparative remuneration in the market and internally and, where appropriate, external advice on policies and practices. The board has access to external, independent advice where necessary.

Senior managers are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash and fringe benefits such as motor vehicles and expense payment plans. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group. The fixed remuneration component is detailed in the Key Management Personnel remuneration table for the year ended 30 June 2020.

Remuneration report (continued)

Variable Remuneration

The objective of the short-term incentive program is to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential short-term incentive available is set at a level so as to provide sufficient incentive to the senior manager to achieve the operational targets and such that the cost to the Group is reasonable in the circumstances.

The aggregate of annual payments available for executives across the Group is subject to the approval of the board. The Company also makes long term incentive payments to reward senior executives in a manner that aligns this element of remuneration with the creation of shareholder wealth.

Executive Director Consultancy Agreements

(a) Managing Director and Chief Executive Officer

The terms and conditions of the employment contract entered into between the Company and Mr Carr are as follows:

Commencement date:	20 December 2018;
Term:	The consultancy agreement continues until either party terminates by giving the other not less than six months' prior notice in writing;
Fixed fee:	$273,750 per annum, reviewable annually;
Equity incentivisation:	Mr Carr has received Performance Shares (as set out in the below table) as incentivisation. The conversion of the Performance Shares is conditional upon the achievement of certain milestones, (each Performance Share converts to one fully paid ordinary share upon conversion);
Performance bonus scheme:	Subject to meeting key performance measures, which will be set by the board, the CEO will be eligible every 12 months for a lump sum bonus payment of up to 50% of base fee, payable as either cash or fully paid shares in the capital of the Company;
Intellectual property:	Mr Carr acknowledges that the Company is the exclusive owner of all rights, title and interest in all intellectual property created by the CEO within the course of his consultancy services; and
Non-solicitation:	Mr Carr will not, for a period of 24 months after termination of consultancy agreement, solicit any customer or employee of the Group (other than in connection with businesses which are not competitive with those operated by the Group).

(b) Executive Sales Director

The terms and conditions of the employment contract entered into between the Company and Mr Barry are as follows:

Commencement date:	20 December 2018;
Term:	The consultancy agreement continues until either party terminates by giving the other not less than six months' prior notice in writing;
Fixed fee:	$273,750 per annum, reviewable annually;
Equity incentivisation:	Mr Barry has received Performance Shares (as set out in the below table) as incentivisation. The conversion of the Performance Shares is conditional upon the achievement of certain milestones, (each Performance Share converts to one fully paid ordinary share upon conversion);
Performance bonus scheme:	Subject to meeting key performance measures, which will be set by the board, the Executive Sales Director will be eligible every 12 months for a lump sum bonus payment of up to 50% of base fee, payable as either cash or fully paid shares in the capital of the Company;
Intellectual property:	Mr Barry acknowledges that the Company is the exclusive owner of all rights, title and interest in all intellectual property created by the Executive Sales Director within the course of his consultancy services; and
Non-solicitation:	Mr Barry will not, for a period of 24 months after termination of consultancy agreement, solicit any customer or employee of the Group (other than in connection with businesses which are not competitive with those operated by the Group).

Remuneration report (continued)

Other Key Management Personnel Employment Contracts

(a) Chief Financial Officer's contract

The terms and conditions of the employment contract entered into between the Company and Mrs Gray are as follows:

Commencement date:	7 March 2019;
Term:	The employment contract continues until either party terminates by giving the other not less than three months' prior notice in writing;
Remuneration:	\$150,000 per annum plus superannuation for four days per week, formally moving to full time at \$187,500 from 1 November 2019, reviewable by the Company from time to time;
Performance bonus scheme:	Subject to meeting key performance measures, which will be set by the Board, Mrs Gray will be eligible to participate in the Company's performance bonus scheme. Mrs Gray's participation shall be solely within the discretion of the Board;
Intellectual property:	Mrs Gray acknowledges that the Company is the exclusive owner of all rights, title and interest in all intellectual property created by Mrs Gray in the course of his employment; and
Non-solicitation:	Mrs Gray will not, for a period of 24 months after termination of employment, solicit any customer or employee of the Company (other than in connection with businesses which are not competitive with those operated by the Company).

(b) Chief Technical Officer's contract

The terms and conditions of the employment contract entered into between the Company and Mr Francis are as follows:

Commencement date:	13 January 2020;
Term:	The employment contract continues until either party terminates by giving the other not less than three months' prior notice in writing;
Remuneration:	\$200,000 per annum plus superannuation, reviewable annually;
Equity incentivisation:	Mr Francis will receive Performance Shares as incentivisation. The conversion of the Performance Shares is conditional upon the achievement of certain milestones, (each Performance Share converts to one fully paid ordinary share upon conversion);
Intellectual property:	Mr Francis acknowledges that all intellectual property rights (including moral rights to any associated copyright) and inventions created by him in the course of his employment with the Company; and
Restraint of outside interests:	Mr Francis may not, except as a representative of the Company or with the prior written approval of the Board, carry on, advise, provide services to or be engaged, concerned or interested in or associated with any business or activity which is competitive with any business carried on by the Company during his employment and for a period of 24 months after termination of employment.

(c) Prior Chief Technical Officer's contract

The terms and conditions of the employment contract entered into between OpenDNA (Singapore) Limited and Mr Irwin are as follows:

Commencement date:	1 June 2015;
Term:	The employment contract continues until either party terminates by giving the other not less than six months' prior notice in writing;
Remuneration:	US\$150,000 per annum, reviewable annually;
Equity incentivisation:	Mr Irwin will receive incentive Options and Performance Shares (as set out in the below tables) the conversions of which are conditional upon the achievement of certain milestones (each Performance Share and Option converts to one fully paid ordinary share upon conversion);
Intellectual property:	Mr Irwin acknowledges that all intellectual property rights (including moral rights to any associated copyright) and inventions created by him in the course of his employment with OpenDNA Singapore; and
Restraint of outside interests:	Mr Irwin may not, except as a representative of OpenDNA Singapore or with the prior written approval of the Board, have any financial interest in any capacity in other business, trade, profession or occupation. An exception is made to this restraint whereby Mr Irwin may hold an investment of not more than 5% of the total share capital where the company does not carry on a similar business to, or compete with, OpenDNA Singapore.

Remuneration report (continued)

Remuneration of Key Management Personnel

30 June 2020	Short-term employee benefits		Post-employment benefits	Share-based payments		Relative proportions of remuneration of KMP that are linked to performance	
	Salary & fees	Other	Superannuation	Shares / Share options [2]	**Total**	Fixed remuneration	Remuneration linked to performance
	$	$	$	$	**$**	%	%
Directors							
G Pestell	71,175	-	-	-	**71,175**	100%	0%
T Allison	18,750	-	1,781	-	**20,531**	100%	0%
E Cross	26,250	-	2,494	-	**28,744**	100%	0%
B Carr [1]	273,750	124,764	-	3,250	**401,764**	68%	32%
W Barry [1]	273,750	124,764	-	2,167	**400,681**	68%	32%
Executives							
J Gray	182,397	-	17,328	-	**199,725**	100%	0%
R Francis	94,203	-	8,949	-	**103,152**	100%	0%
G Irwin	103,334	-	-	-	**103,334**	100%	0%
	1,043,609	249,528	30,552	5,417	**1,329,106**		

[1] Other benefits for B Carr and W Barry comprise of cash bonuses for achieving 91% of the performance milestones in the amount of $124,764 each. The bonuses have not been paid in the current financial year and are included in amounts payable at 30 June 2020.

In response to the COVID-19 situation, the Company directors and staff agreed to reductions in payment of their fees. The following amounts included in KMP remuneration have not been paid in the current financial year and are included in amounts payable at 30 June 2020.

- G Pestell remuneration includes $3,559
- T Allison remuneration includes $2,250
- B Carr remuneration includes $22,584
- W Barry remuneration includes $28,698
- J Gray remuneration includes $9,375
- R Francis remuneration includes $10,000

[2] B Carr and W Barry have been granted executive options during the year. These options have been valued using the Monte Carlo model taking into account the inputs as disclosed in Note 18.

30 June 2019	Short-term employee benefits		Post-employment benefits	Share-based payments		Relative proportions of remuneration of KMP that are linked to performance	
	Salary & fees	Other	Superannuation	Shares / Share options [3]	**Total**	Fixed remuneration	Remuneration linked to performance
	$	$	$	$	**$**	%	%
Directors							
G Pestell	47,450	-	-	65,244	**112,694**	100%	0%
J Shah [1]	166,536	150,179	-	199,637	**516,352**	100%	0%
E Cross	44,231	-	6,769	27,019	**78,019**	100%	0%
B Carr[2]	123,188	61,594	-	-	**184,782**	67%	33%
W Barry [2]	131,135	61,594	-	-	**192,729**	68%	32%
Executives							
R Jarvis	284,192	5,342	25,096	163,683	**478,313**	100%	0%
J Gray	46,875	-	4,453	-	**51,328**	100%	0%
G Irwin	183,321	19,973	-	29,981	**233,275**	100%	0%
	1,026,928	298,682	36,318	485,564	**1,847,492**		

Remuneration report (continued)

Remuneration of Key Management Personnel (continued)

[1] Other benefits payable to J Shah during the year include a living allowance of $61,675, medical insurance of $12,002 and Singapore tax clearance of $76,501 as part of his termination of employment.

[2] Other benefits paid to B Carr and W Barry comprise of cash bonuses for achieving performance milestones in the amount of $61,594 each.

[3] During the year, ordinary shares were issued at $0.035 in lieu of director fees and salary deferred from 1 December 2017 through to 30 September 2018, which was implemented as a cash preservation strategy in the 2018 year. In addition, R Jarvis was granted 1,500,000 options. These options have been valued using the Black and Scholes model taking into account the inputs as disclosed in Note 18.

The following amounts are included in remuneration for KMP for services performed but not paid for in the 2018 financial year which was part of the Group's cash preservation strategy from December 2017 to September 2018:

- J Shah remuneration includes $163,033
- G Pestell remuneration includes $41,519
- E Cross remuneration includes $28,743
- G Irwin remuneration includes $52,598

R Jarvis' remuneration includes $246,726 which represents deferred remuneration for services performed in the 2018 financial year, including consideration for reduced remuneration which was part of the Group's cash preservation strategy during the period from December 2017 to September 2018.

Employee share option plan

Options granted as compensation

30 June 2020

As approved at the Company's 2019 Annual General Meeting, the following unlisted options were issued to Directors:

Name	No of options granted	Grant date	Vesting date	Exercise price	Fair value per option at grant date
B Carr	12,000,000	6 March 2020	5 February 2023	$0.055	$0.0013 - $0.0034
W Barry	8,000,000	6 March 2020	5 February 2023	$0.055	$0.0013 - $0.0034

For details on the valuation of the options, including models and assumptions used, please refer to Note 18. There were no alterations to the terms and conditions of options granted as remuneration since their grant date.

30 June 2019

As approved at the Company's 2018 Annual General Meeting, the following listed options were issued to Executives:

Name	No of options granted	Grant date	Vesting date	Exercise price	Fair value per option at grant date
R Jarvis	1,500,000	19 September 2018	19 September 2018	$0.05	$0.017

There have been no alterations of the terms and conditions of the above share-based payment arrangements since the grant date.

Forfeited / lapsed / exercised during the year

No options were exercised or forfeited during the year.

Remuneration report (continued)

Key management personnel equity holdings

Fully paid ordinary shares

30 June 2020	Balance at beginning of year Number	Granted as compensation Number	Vendor Shares	Net change other Number	Balance at end of year Number	Balance held nominally Number
Directors						
G Pestell [1]	5,726,626	-	-	-	5,726,626	-
T Allison	-	-	-	-	-	-
E Cross[2]	971,969	-	-	-	971,969	-
B Carr	3,452,381	-	-	-	3,452,381	-
W Barry	7,619,047	-	-	-	7,619,047	-
Executives		-	-			
J Gray	-	-	-	-	-	-
R Francis	-	-	-	-	-	-
G Irwin[3]	5,008,076	-	-	(5,008,076)	-	-
	22,778,099	-	-	-	22,778,099	-

[1] G Pestell shareholding includes shares held directly and indirectly. G Pestell owns 25% of Digrevni Investments Pty Ltd ("Digrevni"), which is the holder of 2,500,000 ordinary shares in RooLife. G Pestell also has a 25% interest in Artemis Corporate Limited which holds 2,264,107 ordinary shares in the Company and a 24% interest in Storm Enterprises Pty Ltd which holds 712,514 ordinary shares and 3,500,000 options over ordinary shares in the Company.

[2] E Cross resigned as a Director on 31 January 2020. The shareholding disclosed is as at the date of his resignation as a Director.

[3] G Irwin ceased employment with the Company on 15 November 2019. The shareholding disclosed is as at the date of ceasing employment.

30 June 2019	Balance at beginning of year Number	Granted as compensation Number [2]	Vendor Shares [3]	Net change other Number	Balance at end of year Number	Balance held nominally Number
Directors						
G Pestell[1]	3,299,629	2,808,117	-	(381,120)	5,726,626	-
J Shah	26,634,406	5,703,926	-	-	32,338,332	-
E Cross	200,005	771,964	-	-	971,969	-
B Carr	-	-	3,452,381	-	3,452,381	-
W Barry	-	-	7,619,047	-	7,619,047	-
Executives						
R Jarvis	100,000	3,991,905	-	-	4,011,905	-
G Irwin	4,151,485	856,591	-	-	5,008,076	-
	34,385,525	14,132,503	11,071,428	(381,120)	59,128,336	

[1] G Pestell shareholding includes shares held directly and indirectly. G Pestell owns 25% of Digrevni Investments Pty Ltd ("Digrevni"), which is the holder of 2,500,000 ordinary shares in RooLife. G Pestell also has a 25% interest in Artemis Corporate Limited which holds 2,264,107 ordinary shares in the Company and a 24% interest in Storm Enterprises Pty Ltd which holds 712,514 ordinary shares and 3,500,000 options over ordinary shares in the Company.

[2] During the year, ordinary shares were issued at $0.035 in lieu of deferred director fees and salary, implemented as a cash preservation strategy in the 2018 year.

[3] Pursuant to the acquisition agreement of CHOOSE Digital Pty Ltd and RooLife Limited, the vendor received ordinary shares with an issue price of $0.035.

Remuneration report (continued)

Key management personnel equity holdings (continued)

Share options

30 June 2020	Balance at beginning of year	Granted as compen-sation	Lapsed	Balance at end of year	Balance vested at end of year	Vested but not exercisable	Vested and exercisable	Options vested during the year
	Number	Number	Number	Number	Number	Number	Number	Number
Directors								
G Pestell	8,500,000	-	(2,000,000)	6,500,000	6,500,000	6,500,000	-	-
T Allison	-	-	-	-	-	-	-	-
E Cross [1]	3,000,000	-	(1,200,000)	1,800,000	1,800,000	1,800,000	-	-
B Carr	-	12,000,000	-	12,000,000	12,000,000	12,000,000	-	-
W Barry	-	8,000,000	-	8,000,000	8,000,000	8,000,000	-	-
Executives								
J Gray	-	-	-	-	-	-	-	-
R Francis	-	-	-	-	-	-	-	-
G Irwin	2,000,000	-	(800,000)	1,200,000	1,200,000	1,200,000	-	-
	13,500,000	20,000,000	(4,000,000)	29,500,000	29,500,000	29,500,000	-	-

[1] E Cross resigned as a Director on 31 January 2020. The option holding disclosed is as at the date of his resignation as a Director.

[2] G Irwin ceased employment with the Company on 15 November 2019. The option holding disclosed is as at the date of ceasing employment.

30 June 2019	Balance at beginning of year	Granted as compen-sation	Lapsed	Balance at end of year	Balance vested at end of year	Vested but not exercisable	Vested and exercisable	Options vested during the year
	Number	Number	Number	Number	Number	Number	Number	Number
Directors								
G Pestell [1]	5,000,000	3,500,000	-	8,500,000	8,500,000	8,500,000	-	-
E Cross	3,000,000	-	-	3,000,000	3,000,000	3,000,000	-	-
L Sciambi	500,000	-	-	500,000	500,000	500,000	-	-
Executives								
R Jarvis [2]	3,000,000	1,500,000	-	4,500,000	4,500,000	4,500,000	-	600,000
G Irwin	2,000,000		-	2,000,000	2,000,000	2,000,000	-	600,000
	13,500,000	5,000,000	-	18,500,000	18,500,000	18,500,000	-	600,000

[1] 3.5 million options were issued to Storm Enterprises Pty Ltd ("Storm") in consideration for services provided to the Company for the Placement and approved at the Company's 2018 Annual General Meeting. Mr G Pestell has a 24% interest in Storm.

[2] 1.5 million options were issued to the Mr R Jarvis in connection with the Company's cash preservation strategy (as announced by the Company on 31 July 2018). Mr Jarvis ceased employment with the Company on 31 March 2019.

Where applicable, all share options issued to key management personnel were made in accordance with the provisions of the employee share option plan.

No options were exercised by key management personnel during the current or previous financial year.

Remuneration report (continued)

Performance shares

30 June 2020	Balance at beginning of year Number	Vendor Shares	Cancelled during the year Number [1]	Net change other Number	Balance at end of year Number
Directors					
G Pestell	-	-	-	-	-
T Allison	-	-	-	-	-
E Cross	-	-	-	-	-
B Carr	6,904,762	-	-	-	6,904,762
W Barry	15,238,095	-	-	-	15,238,095
Executives					
J Gray	-	-	-	-	-
R Francis	-	-	-	-	-
G Irwin[1]	3,500,000	-	-	-	3,500,000
	25,642,857	-	-	-	25,642,857

[1] G Irwin ceased employment with the Company on 15 November 2019. The performance share holding disclosed is as at the date of ceasing employment. As employment with the Company has ceased, these performance shares will lapse.

30 June 2019	Balance at beginning of year Number	Vendor Shares [1]	Cancelled during the year Number [2]	Net change other Number	Balance at end of year Number
Directors					
B Carr	-	6,904,762	-	-	6,904,762
W Barry	-	15,238,095	-	-	15,238,095
J Shah	28,000,000	-	(28,000,000)	-	-
Executives					
R Jarvis [3]	1,750,000	-	-	-	1,750,000
G Irwin	3,500,000	-	-	-	3,500,000
	33,250,000	22,142,857	(28,000,000)	-	27,392,857

[1] Represents Tranches 1 and 2 performance shares received as part consideration for the sale of shares in RooLife Limited and CHOOSE Digital Pty Ltd.

The Trance 1 performance shares formed part of contingent consideration on acquisition. The Company valued the consideration at $0.035 per share being the Company's share price on the date of acquisition, The Company recorded a value of $533,334 for Tranche 1 shares in the accounting records.

The Tranche 2 shares did not form part of contingent consideration on acquisition, as at the date of the acquisition, the directors could not resolve with any certainty whether it would be considered probable that the performance milestone will be achieved. The contingent consideration payable in shares was classified as equity and will not be subsequently remeasured if the performance milestones are satisfied. Shares issued on satisfaction of the performance milestones will be accounted for within equity.

[2] The performance shares issued to J Shah lapsed, following his cessation of employment with the Company.

[3] As R Jarvis's employment with the company has ceased, these performance shares will lapse.

Loans to key management personnel
No loans have been provided to any member of the Group's key management personnel in the year.

Remuneration report (continued)

Key management personnel transactions
In addition to the above remuneration, related party transactions with key management personnel are described below.

	2020	2019
	$	$
The following amounts were paid to Murcia Pestell Hillard Pty Ltd, a company related to Mr. G Pestell:		
- provision of general legal services [1]	**92,038**	214,535
	92,038	214,535

[1] included in the balance of $214,535 in the 2019 year is an amount of $33,040, which was converted to ordinary shares (at a price of $0.035 per share).

	2020	2019
	$	$
The following amounts were paid to Storm Enterprises Pty Ltd, a company related to Mr. Grant Pestell:		
- provision of advisory services in relation to Placement [1]	**-**	54,786

[1] 3.5 million options were issued to Storm Enterprises Pty Ltd (“Storm”) in consideration for services provided to the Company for the Placement and approved at the Company’s 2018 Annual General Meeting. Mr Pestell has a 24% interest in Storm. The entity is not controlled by Mr Pestell, nor does he have the capacity to determine the entity’s ability to dispose of securities it holds.

END OF REMUNERATION REPORT

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of RooLife Group Limited for the year ended 30 June 2020, 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.

Perth, Western Australia
27 August 2020

L Di Giallonardo
Partner

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Consolidated statement of profit or loss and other comprehensive income For the year ended 30 June 2020

	Notes	2020 $	2019 $
Continuing operations			
Revenue	2, 4	**2,967,448**	705,630
Other income	2	**429,672**	6,095
		3,397,120	711,725
Direct expenses of providing services		**(2,671,822)**	(448,814)
Depreciation and amortisation expense	11, 12	**(521,424)**	(296,617)
Impairment of assets	12	**(3,472)**	-
Share based payment expense	18	**(5,417)**	(89,349)
Other expenses			
Consulting fees		**(456,721)**	(276,680)
Employee costs		**(2,078,075)**	(2,030,648)
Travel and accommodation costs		**(152,344)**	(153,569)
Other expenses	2	**(951,541)**	(945,400)
Loss before income tax		**(3,443,696)**	(3,529,352)
Income tax benefit	3	**1,100**	219,867
Net loss for the year		**(3,442,596)**	(3,309,485)
Other comprehensive loss, net of income tax			
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		**(8,485)**	(16,562)
Other comprehensive loss for the year, net of income tax		**(8,485)**	(16,562)
Total comprehensive loss for the year		**(3,451,081)**	(3,326,047)
Basic loss per share (cents per share)	5	**(1.13)**	(1.95)
Diluted loss per share (cents per share)	5	**(1.13)**	(1.95)

The accompanying notes form part of these financial statements

Consolidated statement of financial position
As at 30 June 2020

	Notes	2020 $	2019 $
Assets			
Current assets			
Cash and cash equivalents	7	**1,342,942**	2,093,478
Trade and other receivables	8	**410,627**	392,637
Other current assets	9	**261,521**	33,027
Inventories	10	**100,271**	-
Total current assets		**2,115,361**	2,519,142
Non-current assets			
Property, plant and equipment	11	**7,118**	3,934
Deferred tax assets	3	**320,580**	384,462
Intangible assets	12	**1,582,743**	3,616,597
Goodwill	13	**2,389,085**	-
Total non-current assets		**4,299,526**	4,004,993
Total assets		**6,414,887**	6,524,135
Liabilities			
Current liabilities			
Trade and other payables	14	**1,500,865**	887,640
Total current liabilities		**1,500,865**	887,640
Non-current liabilities			
Deferred tax liabilities	3	**320,580**	385,521
Provisions	15	**15,737**	-
Total non-current liabilities		**336,317**	385,521
Total liabilities		**1,837,182**	1,273,161
Net assets		**4,577,705**	5,250,974
Equity			
Issued capital	16	**21,298,469**	18,560,841
Reserves	17	**1,712,407**	1,680,708
Accumulated losses		**(18,433,171)**	(14,990,575)
Total equity		**4,577,705**	5,250,974

The accompanying notes form part of these financial statements

Consolidated statement of changes in equity
For the year ended 30 June 2020

Year ended 30 June 2020

	Notes	Issued capital $	Share-based payment reserve $	Foreign currency translation reserve $	Accumulated losses $	**Total equity $**
Balance as at 1 July 2019		18,560,841	1,827,498	(146,790)	(14,990,575)	**5,250,974**
Loss for the year		-	-	-	(3,442,596)	**(3,442,596)**
Other comprehensive loss, net of income tax		-	-	(8,485)	-	**(8,485)**
Total comprehensive loss for the year		**-**	**-**	**(8,485)**	**(3,442,596)**	**(3,451,081)**
Shares issued during the year		2,921,974	-	-	-	**2,921,974**
Share issue costs		(184,346)	-	-	-	**(184,346)**
Share-based payments	18	-	40,184	-	-	**40,184**
Balance as at 30 June 2020		**21,298,469**	**1,867,682**	**(155,275)**	**(18,433,171)**	**4,577,705**

Year ended 30 June 2019

	Notes	Issued capital $	Share-based payment reserve $	Foreign currency translation reserve $	Accumulated losses $	**Total equity $**
Balance as at 1 July 2018		13,646,581	831,105	(130,228)	(11,681,090)	**2,666,368**
Loss for the year		-	-	-	(3,309,485)	**(3,309,485)**
Other comprehensive loss, net of income tax		-	-	(16,562)	-	**(16,562)**
Total comprehensive loss for the year		-	-	(16,562)	(3,309,485)	**(3,326,047)**
Shares issued during the year		5,618,270	-	-	-	**5,618,270**
Share issue costs		(704,010)	-	-	-	**(704,010)**
Value of performance shares issued as consideration for acquisition of subsidiaries		-	533,334	-	-	**533,334**
Share-based payments	18	-	463,059	-	-	**463,059**
Balance as at 30 June 2019		18,560,841	1,827,498	(146,790)	(14,990,575)	**5,250,974**

The accompanying notes form part of these financial statements

Consolidated statement of cash flows
For the year ended 30 June 2020

	Notes	**2020** $	2019 $
Cash flows from operating activities			
Receipts from customers		**2,871,038**	983,761
Payments to suppliers and employees		**(5,940,299)**	(3,815,744)
Interest received		**6,179**	6,095
Interest paid		**(760)**	-
Government grants and tax incentives		**436,620**	293,629
Net cash outflow from operating activities	7	**(2,627,222)**	(2,532,259)
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		**-**	7,326
Payments for property, plant and equipment		**(7,990)**	(6,738)
Payment for intangible assets		**-**	(70,207)
Payment for security deposits (net)		**(16,679)**	-
Payments to acquire subsidiaries, net of cash acquired	20	**(365,948)**	(179,361)
Net cash outflow from investing activities		**(390,617)**	(248,980)
Cash flows from financing activities			
Proceeds from issue of shares		**2,431,498**	4,500,000
Payments for share issue costs		**(156,403)**	(274,701)
Repayment of loans		**-**	(28,780)
Net cash inflow from financing activities		**2,275,095**	4,196,519
Net (decrease) / increase in cash and cash equivalents		**(742,744)**	1,415,280
Cash and cash equivalents at the beginning of the year		**2,093,478**	669,840
Effect of exchange rate fluctuations on cash held		**(7,792)**	8,358
Cash and cash equivalents at the end of the year	7	**1,342,942**	2,093,478

The accompanying notes form part of these financial statements

Notes to the financial statements
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies

(a) Basis of preparation

These financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Accounting Standards and Interpretations and comply with other requirements of the law.

The financial statements comprise the consolidated financial statements for the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

The accounting policies detailed below have been consistently applied to all of the years presented unless otherwise stated. The financial statements are for the Group consisting of RooLife Group Ltd and its subsidiaries.

The financial statements have been prepared on a historical cost basis, except for available-for-sale investments which have been measured at fair value. Historical cost is based on the fair values of the consideration given in exchange for goods and services.

The financial statements are presented in Australian dollars.

The Company is a listed public Company, incorporated in Australia and operating in Australia, China and Hong Kong. The entity's principal activities are the provision of fully integrated digital marketing and customer acquisition services driving online sales of products and services for clients in Australia and China.

(b) Adoption of new and revised standards

Standards and Interpretations applicable to 30 June 2020

In the year ended 30 June 2020, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current annual reporting period. Those which have a material impact on the Group are set out below

AASB 16 Leases

The Group has applied AASB 16 from 1 July 2019 using the modified retrospective approach, with no restatement of comparative information.

The impact on the accounting policies, financial performance and financial position of the Group from the adoption of AASB 16 is detailed in Note 27.

Other than the above, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Company and, therefore, no material change is necessary to Group accounting policies.

Standards and Interpretations in issue not yet adopted

The Directors have also reviewed all Standards and Interpretations in issue not yet adopted for the year ended 30 June 2020. As a result of this review the Directors have determined that that there is no material impact of the Standards and Interpretations in issue not yet adopted on the Group and, therefore, no change is necessary to Group accounting policies.

(c) Statement of compliance

The financial report was authorised for issue on 27 August 2020.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(d) Significant accounting estimates and judgements

The application of accounting policies requires the use of judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised in the period in which the estimate is revised if it affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(d) Significant accounting estimates and judgements (continued)

Impairment of goodwill:
The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units to which the goodwill is allocated. The assumptions used in this estimation of recoverable amount and the carrying amount of goodwill are discussed in Note 12.

Impairment of other intangibles:
The Group assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount, being the higher of its fair value less costs to sell and its value in use. The value in use requires an estimation of the recoverable amount of the cash generating units to which the intangibles are allocated. There was no indication that other intangible assets may be impaired at balance date.

Share-based payment transactions:
The Group measures the cost of equity-settled transactions with employees and third parties by reference to the fair value of the equity instruments at the date at which they are granted. For share based payments that do not contain market conditions, the fair value is determined using a Black and Scholes model, using the assumptions detailed in Note 18. For share based payments that contain market conditions, the fair value is determine using a Monte Carlo model, using the assumptions detailed in Note 18.

Business combinations
Management uses valuation techniques when determining the fair values of certain assets and liabilities acquired in a business combination. In particular, the fair value of contingent consideration is dependent on the outcome of many variables including the acquirees' future profitability. For the business combinations during the current year as set out in Note 20, the initial accounting is complete. For business combinations during the previous financial year, the initial accounting was incomplete when the 30 June 2019 annual financial report was produced. During the current financial year, the provisional amounts have been finalised, details of which are noted in Note 20.

Estimated useful life
During the year ended 30 June 2020, the Group revised the estimated useful life of the technology intangible from 7 years to 4 years. The annual amortisation charged under the revised estimated useful life is $512,607. The annual amortisation that would have bene charged under the previous estimated useful life is $271,814.

(e) Going concern
The directors are of the opinion that the Group is a going concern for the following reasons:

- As at the reporting date the Group had cash on hand amounting to $1,342,942 and net assets amounting to $4,577,705;
- During the last four months prior to the release of the Annual Report the Company had a very successful business development period securing over $8 million in total value of new contract wins (based on minimum sales targets being met) which are expected to deliver revenues in the 2021 financial year and beyond;
- Subsequent to year end, on 21 August 2020, the Group announced that it will undertake a non-renounceable entitlement issue of 1 share for every 2 shares held by shareholders registered at the record date at an issue price of $0.03 per share, together with 1 free attaching Option for every 1 share. Based on the capital structure of the Company (assuming no existing options or performance shares are exercised prior to record date), a maximum of 183,083,944 shares and 183,083,944 options will be issued pursuant to the entitlements issue to raise up to $5,492,518. No funds will be raised from the issue of the options;
- Subsequent to year end, on 27 August 2020, the Group completed a placement to sophisticated and professional investors to raise $766,397, before costs, via an issue of 25,546,595 ordinary shares at $0.03 each.

The Group has received strong expressed interest in participation in the entitlement issue, however, should this equity raising not raise capital sufficient to fund the Group's requirements for the period of at least 12 months from the date of signing this financial report, there is a material uncertainty that may cast significant doubt as to whether the Group will be able to continue as a going concern and whether it will be able to realise its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial report.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(f) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company.

Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement in with the investee; and
- has the ability to its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements listed above.

When the Company has less than a majority of the voting rights if an investee, it has the power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights are sufficient to give it power, including,

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties; rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholder meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Changes in the Group's ownership interest in existing subsidiaries

Changes in the Group's ownership interest in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in subsidiaries.

Any difference between the amount paid by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between:

- The aggregate of the fair value of the consideration received and the fair value of any retained interest; and
- The previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests.

All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by the applicable AASBs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under AASB 139, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

(g) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors of RooLife Group Ltd.

(h) Foreign currency translation

Both the functional and presentation currency of RooLife Group Ltd is Australian dollars. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(h) Foreign currency translation (continued)
All exchange differences in the consolidated financial report are taken to profit or loss with the exception of differences on foreign currency borrowings that provide a hedge against a net investment in a foreign entity. These are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss.

Tax charges and credits attributable to exchange differences on those borrowings are also recognised in equity.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

The functional currencies of the foreign operations are:
- OpenDNA (UK) Limited: Wholly owned UK subsidiary. Currency: GBP
- OpenDNA (UK) Limited: South African branch office. Currency: ZAR
- OpenDNA (Singapore) Pte Ltd: Wholly owned Singaporean subsidiary. Currency: SGD
- RooLife (HK) Limited: Wholly owned Hong Kong subsidiary. Currency: HKD
- Roolife China: Wholly owned Chinese subsidiary. Currency: CNY

As at the balance date the assets and liabilities of these subsidiaries are translated into the presentation currency of RooLife Group Ltd at the rate of exchange ruling at the balance date and income and expense items are translated at the average exchange rate for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used.

The exchange differences arising on the translation are taken directly to a separate component of equity, being recognised in the foreign currency translation reserve.

On disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to the partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange rate differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or jointly arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of the reporting period. Exchange differences are recognised in other comprehensive income.

(i) Revenue recognition
Revenue arises mainly from the provision of services in the areas of digital marketing, website services, application development and subscription, and marketing consulting. The Group generates revenue largely in Australia.

To determine whether to recognise revenue, the Group follows a 5-step process:
1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

The revenue and profits recognised in any period are based on the delivery of performance obligations and an assessment of when control is transferred to the customer.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(i) Revenue recognition (continued)

In determining the amount of revenue and profits to record, and related items in the statement of financial position (such as contract fulfilment assets, capitalisation of costs to obtain a contract, trade receivables, accrued income and deferred income) to recognise in the period, management is required to form a number of key judgements and assumptions. This includes an assessment of the costs the Group incurs to deliver the contractual commitments and whether such costs should be expensed as incurred or capitalised.

Revenue is recognised either when the performance obligation in the contract has been performed, so 'point in time' recognition or 'over time' as control of the performance obligation is transferred to the customer.

For contracts with multiple components to be delivered such as Web Development management applies judgement to consider whether those promised goods and services are (i) distinct - to be accounted for as separate performance obligations; (ii) not distinct - to be combined with other promised goods or services until a bundle is identified that is distinct or (iii) part of a series of distinct goods and services that are substantially the same and have the same pattern of transfer to the customer.

Transaction price

At contract inception the total transaction price is estimated, being the amount to which the Group expects to be entitled and has rights to under the present contract.

The transaction price does not include estimates of consideration resulting from change orders for additional goods and services unless these are agreed.

Once the total transaction price is determined, the Group allocates this to the identified performance obligations in proportion to their relative stand-alone selling prices and recognises revenue when (or as) those performance obligations are satisfied.

For each performance obligation, the Group determines if revenue will be recognised over time or at a point in time. Where the Group recognises revenue over time for long term contracts, this is in general due to the Group performing and the customer simultaneously receiving and consuming the benefits provided over the life of the contract.

For each performance obligation to be recognised over time, the Group applies a revenue recognition method that faithfully depicts the Group’s performance in transferring control of the goods or services to the customer. This decision requires assessment of the real nature of the goods or services that the Group has promised to transfer to the customer. The Group applies the relevant output or input method consistently to similar performance obligations in other contracts.

When using the output method, the Group recognises revenue on the basis of direct measurements of the value to the customer of the goods and services transferred to date relative to the remaining goods and services under the contract. Where the output method is used, in particular for long term service contracts where the series guidance is applied, the Group often uses a method of time elapsed which requires minimal estimation. Certain long term contracts use output methods based upon estimation of number of users, level of service activity or fees collected.

If performance obligations in a contract do not meet the over time criteria, the Group recognises revenue at a point in time. This may be at the point of physical delivery of goods and acceptance by a customer or when the customer obtains control of an asset or service in a contract with customer-specified acceptance criteria.

Disaggregation of revenue

The Group disaggregates revenue from contracts with customers by contract type, which includes (i) Digital Marketing, (ii) Marketing Consulting (iii) Application Development and Subscription and (iv) Website Services as management believe this best depicts how the nature, amount, timing and uncertainty of the Group’s revenue and cash flows.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(i) Revenue recognition (continued)

Performance obligations
The nature of contracts or performance obligations categorised within these revenue types include the following:

a) Digital marketing services
This category includes:
- SEO services and media management with performance conditions linked to the completion of the contracts;
- Marketing consulting which is invoiced as the service is being performed with the performance obligations satisfied during the delivery of the service;
- Application development and subscription services which include content fees, page view fees and user subscription fees linked to the activity of subscribers; and
- Website services which include bespoke website builds, hosting fees and creative and design services. Performance obligations are linked to milestone events and for hosting, on an ongoing delivery basis.

Revenue in relation to digital marketing services is recognised over time.

b) Platform sales
This category includes the sale of products via platforms. Performance obligations are satisfied on delivery of the goods to the customer. Revenue is recognised at a point in time.

Contract assets and contract liabilities
The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Interest income
Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be reliably measured. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that assets' net carrying amount on initial recognition.

(j) Government grants
Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

(k) Leases
A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(k) Leases (continued)

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(l) Income tax

The income tax expense or benefit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary difference and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of 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 profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.
Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

(m) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(m) Other taxes (continued)

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of 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 profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

(n) Impairment of tangible and intangible assets other than goodwill

The Group assesses at each balance date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets and the asset's value in use cannot be estimated to be close to its fair value. In such cases the asset is tested for impairment as part of the cash-generating unit to which it belongs. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset or cash-generating unit is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses relating to continuing operations are recognised in those expense categories consistent with the function of the impaired asset unless the asset is carried at revalued amount (in which case the impairment loss is treated as a revaluation decrease).

An assessment is also made at each balance date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(o) Cash and cash equivalents

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(p) Trade and other receivables

Trade receivables are measured on initial recognition at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any allowance for impairment. Trade receivables are generally due for settlement within periods ranging from 30 – 90 days.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(p) Trade and other receivables (continued)

Impairment of trade receivables is continually reviewed and those that are considered to be uncollectible are written off by reducing the carrying amount directly. An allowance account is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original contractual terms. Factors considered by the Group in making this determination include known significant financial difficulties of the debtor, review of financial information and significant delinquency in making contractual payments to the Group. The impairment allowance is set equal to the difference between the carrying amount of the receivable and the present value of estimated future cash flows, discounted at the original effective interest rate. Where receivables are short-term discounting is not applied in determining the allowance.

The amount of the impairment loss is recognised in the statement of comprehensive income within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the statement of comprehensive income.

(q) Financial instruments

Recognition and derecognition
Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets
Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:
- amortised cost
- fair value through profit or loss (FVTPL)
- equity instruments at fair value through other comprehensive income (FVOCI)
- debt instruments at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

The classification is determined by both:
- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets
Financial assets at amortised cost
Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):
- they are held within a business model whose objective is to hold the financial assets to collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(q) Financial instruments (continued)

Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as listed bonds that were previously classified as held- to-maturity under IAS 39.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

The category also contains an equity investment. The Group accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in unlisted and listed equity securities at fair value through other comprehensive income (FVOCI). The fair value was determined in line with the requirements of AASB 9, which does not allow for measurement at cost.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss.
The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Equity instruments at fair value through other comprehensive income (Equity FVOCI)

Investments in equity instruments that are not held for trading are eligible for an irrevocable election at inception to be measured at FVOCI.
Under Equity FVOCI, subsequent movements in fair value are recognised in other comprehensive income and are never reclassified to profit or loss.

Dividend from these investments continue to be recorded as other income within the profit or loss unless the dividend clearly represents return of capital.

This category includes unlisted equity securities that were previously classified as 'available-for-sale' under AASB 139. Any gains or losses recognised in other comprehensive income (OCI) are not recycled upon derecognition of the asset.

Debt instruments at fair value through other comprehensive income (Debt FVOCI)

Financial assets with contractual cash flows representing solely payments of principal and interest and held within a business model of collecting the contractual cash flows and selling the assets are accounted for at debt FVOCI.

The Group accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is to "hold to collect" the associated cash flows and sell financial assts; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

Impairment of financial assets

AASB 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'.

Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(q) Financial instruments (continued)

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Level 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Level 2').
- 'Level 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Trade and other receivables and contract assets

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

Classification and measurement of financial liabilities

The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

Derecognition of financial assets and financial liabilities

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either:
  - has transferred substantially all the risks and rewards of the asset, or
  - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration received that the Group could be required to repay.

When continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except that in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(q) Financial instruments (continued)

Financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets
The Group assesses at each balance date whether a financial asset or Group of financial assets is impaired.

Financial assets carried at amortised cost
If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). The carrying amount of the asset is reduced either directly or through use of an allowance account. The amount of the loss is recognised in profit or loss.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a Group of financial assets with similar credit risk characteristics and that Group of financial assets is collectively assessed for impairment.

Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in profit or loss, to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

Financial assets carried at cost
If there is objective evidence that an impairment loss has been incurred on an unquoted equity instrument that is not carried at fair value (because its fair value cannot be reliably measured), or on a derivative asset that is linked to and must be settled by delivery of such an unquoted equity instrument, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for a similar financial asset. Such impairment loss shall not be reversed in subsequent periods.

(r) Property, plant and equipment
Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Office equipment	4 years
Computer equipment	3 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Impairment
The carrying values of plant and equipment are reviewed for impairment at each balance date, with recoverable amount being estimated when events or changes in circumstances indicate that the carrying value may be impaired.

The recoverable amount of plant and equipment is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(r) Property, plant and equipment (continued)

For an asset that does not generate largely independent cash inflows, recoverable amount is determined for the cash-generating unit to which the asset belongs, unless the asset's value in use can be estimated to approximate fair value.

An impairment exists when the carrying value of an asset or cash-generating unit exceeds its estimated recoverable amount. The asset or cash-generating unit is then written down to its recoverable amount.

For plant and equipment, impairment losses are recognised in the statement of comprehensive income in the cost of sales line item. However, because land and buildings are measured at revalued amounts, impairment losses on land and buildings are treated as a revaluation decrement.

Derecognition and disposal

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

(s) Goodwill

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities.

Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Each unit or group of units to which the goodwill is so allocated:

- represents the lowest level within the Group at which the goodwill is monitored for internal management purposes; and
- is not larger than a segment based on either the Group's primary or the Group's secondary reporting format determined in accordance with AASB 8 Operating Segments.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units), to which the goodwill relates. When the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognised. When goodwill forms part of a cash-generating unit (group of cash-generating units) and an operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this manner is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Impairment losses recognised for goodwill are not subsequently reversed.

(t) Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes in these accounting estimates being accounted for on a prospective basis.

Internally generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(t) Intangible assets (continued)

An intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

Refer to Note 1(d) for the remaining useful life of the technology asset.

Intangible assets acquired in a business combination
Intangible assets acquired in a business combination are identified and recognised separately from goodwill where they satisfy the definition of an intangible asset and their fair values can be measured reliably.

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets acquired separately.

(u) Trade and other payables
Trade payables and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

(v) Borrowings
Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

The fair value of the liability portion of a convertible note is determined using a market interest rate for an equivalent non-convertible note. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or maturity of the note. The remainder of the proceeds is allocated to the conversion option. This is recognised and included in shareholders' equity, net of income tax effects.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(w) Employee leave benefits

Wages, salaries, annual leave and sick leave

Liabilities accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave expected to be settled within 12 months of the balance date are recognised in other payables in respect of employees' services up to the balance date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

Liabilities accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave not expected to be settled within 12 months of the balance date are recognised in non-current other payables in respect of employees' services up to the balance date. They are measured as the present value of the estimated future outflows to be made by the Group.

Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the balance date. Consideration is given to expected future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the balance date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

(x) Share based payments

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of these equity-settled transactions with employees is measured 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 a Black-Scholes model, further details of which are given in Note 18.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of RooLife Group Ltd (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each balance date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the Group's best estimate of the number of equity instruments that will ultimately vest. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The statement of comprehensive income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share, refer Note 5.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 1: Statement of significant accounting policies (continued)

(y) Earnings/loss per share

Basic earnings/loss per share is calculated as net profit/loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings/loss per share is calculated as net profit/loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(z) Parent entity financial information

The financial information for the parent entity, RooLife Group Ltd, disclosed in Note 24 has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investments in subsidiaries

Investments in subsidiaries are accounted for at cost in the parent entity's financial statements. Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

Share-based payments

The grant by the Company of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution to that subsidiary undertaking. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 2: Revenue and expenses

Revenue

The Group derives its revenue from the sale of goods and the provision of services at a point in time and over time.

	2020	2019
	$	$
Revenue from contracts with customers	**2,967,448**	705,630
Reconciliation of revenue from contracts with customers		
At a point in time		
Platform sales	**458,264**	-
	458,264	-
Over time		
Digital marketing services	**2,509,184**	705,630
	2,509,184	705,630
Total Revenue	**2,967,448**	705,630

	2020	2019
	$	$
Other income		
Interest income	**6,472**	6,095
Grants and subsidies	**423,200**	-
	429,672	6,095

	2020	2019
	$	$
Other expenses		
Bad and doubtful debts	**40,364**	43,466
Legal fees	**119,053**	221,509
Fees and subscriptions	**40,261**	128,223
Recruitment	**-**	16,195
Rent and associated costs	**165,220**	71,553
Accountancy fees	**46,705**	46,782
Auditors' remuneration	**56,806**	36,666
Patent and branding	**2,867**	13,744
Foreign exchange gains and losses	**12,681**	5,780
Other expenses	**467,584**	361,482
	951,541	945,400

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 3: Income tax

Income tax recognised in profit or loss

The major components of tax benefit are:

	2020	2019
	$	$
Current tax benefit	**-**	-
Deferred tax benefit relating to the origination and reversal of temporary differences	**(1,100)**	(219,867)
Total tax benefit	**(1,100)**	(219,867)

The prima facie income tax benefit on pre-tax accounting loss from operations reconciles to the income tax benefit in the financial statements as follows:

Accounting loss before tax from continuing operations	**(3,443,696)**	(3,529,352)
Income tax benefit calculated at 27.5% (2019: 27.5%)	**(947,016)**	(970,572)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
• Effect of expenses that are not deductible in determining taxable profit	**120,227**	142,317
• Effect of unused tax losses and timing differences not recognised as deferred tax assets	**825,689**	492,038
• Effect of different tax rates of subsidiaries operating in other jurisdictions	**-**	116,350
Income tax benefit reported in the consolidated statement of comprehensive income	**(1,100)**	(219,867)

The tax rate used in the above reconciliation is the corporate tax rate of 27.5% payable by Australian corporate entities on taxable profits under Australian tax law.

Deferred tax assets comprise:

Tax losses - revenue	**320,580**	384,462

Deferred tax liabilities comprise:

Fair value adjustments on acquisition	**287,382**	384,455
Property, Plant and Equipment	**-**	1,066
Timing differences	**33,198**	-
	320,580	385,521

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

Tax losses – revenue	**2,640,826**	1,937,150
Blackhole expenditure	**360,476**	-
	3,132,658	1,926,716

The tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits thereof.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 4: Segment reporting

Description of segments

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the Board of directors in order to allocate resources to the segment and to assess its performance. For management purposes, the Group manages its operations as a single business unit. All of the Group's activities are interrelated, and discrete financial information is reported to the Board of Directors as a single segment. Accordingly, all significant operating decisions are based on an analysis of the Group as one segment. The financial results from this segment are equivalent to the consolidated financial information of the Group as a whole.

Segment information

The following tables present revenue and profit/loss information and certain asset and liability information regarding geographical segments for the year ended 30 June 2020. Revenue is attributed to geographical location based on the location of the target market.

30 June 2020	Australia $	United Kingdom $	Singapore $	China $	Consolidation adjustments $	**Total $**
Revenue						
Sales to external customers	1,882,191	-	-	1,085,257	-	**2,967,448**
Total	1,882,191	-	-	1,085,257	-	**2,967,448**
Segment result	(2,244,559)	7,225	(359,295)	(396,859)	(449,108)	**(3,442,596)**
Interest revenue	6,304	-	-	168	-	**6,472**
Grants and subsidies	172,500	44,992	579	205,129	-	**423,200**
Depreciation and amortisation	(7,011)	(3,115)	-	(384)	(510,914)	**(521,424)**
Impairment expense	-	(3,400)	-	(72)	-	**(3,472)**
Income tax benefit	-	1,107	-	-	(7)	**1,100**
Segment assets	16,263,035	48,679	21,965	1,499,973	(11,418,765)	**6,414,887**
Segment liabilities	(1,074,011)	(2,917,895)	(4,037,372)	(2,146,325)	8,338,421	**(1,837,182)**
Cash flow information						
Net cash flow from operating activities	(1,945,255)	41,521	(312,015)	(411,473)	-	**(2,627,222)**
Net cash flow from investing activities	(1,294,113)	3,584	251,788	648,124	-	**(390,617)**
Net cash flow from financing activities	2,275,095	-	-	-	-	**2,275,095**
Other information						
Depreciation	(7,011)	-	-	(384)	-	**(7,395)**
Amortisation	-	(3,115)	-	-	(510,914)	**(514,029)**

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 4: Segment reporting (continued)

30 June 2019	Australia $	United Kingdom $	Singapore $	Consolidation adjustments $	**Total $**
Revenue					
Sales to external customers	705,630	-	-	-	**705,630**
Total	705,630	-	-	-	**705,630**
Segment result	(2,375,480)	(208,194)	(695,346)	(30,465)	**(3,309,485)**
Interest revenue	6,095	-	-	-	**6,095**
Depreciation and amortisation	(1,396)	(19,010)	(6,418)	(269,793)	**(296,617)**
Income tax benefit	-	219,867	-	-	**219,867**
Segment assets	15,870,331	11,663	97,184	(9,455,043)	**6,524,135**
Segment liabilities	1,191,209	2,914,270	3,796,670	(6,628,988)	**1,273,161**
Cash flow information					
Net cash flow from operating activities	(1,486,976)	(26,748)	(993,984)	(24,551)	**(2,532,259)**
Net cash flow from investing activities	(252,608)	3,628	-	-	**(248,980)**
Net cash flow from financing activities	4,196,519	-	-	-	**4,196,519**
Other information					
Depreciation	(1,396)	(17,008)	(6,418)	-	**(24,822)**
Amortisation	-	(2,002)	-	(269,793)	**(271,795)**

Other segment information

Segment revenue reconciliation to the statement of comprehensive income

	2020 $	2019 $
Total segment revenue	**2,967,448**	705,630
Inter-segment sales elimination	**-**	-
Total	**2,967,448**	705,630

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 5: Loss per share

Basic and diluted loss per share

	2020	2019
	Cents per share	Cents per share
Total basic and diluted loss per share attributable to the ordinary equity holders of the Company	**(1.13)**	(1.95)

Reconciliation of loss used in calculating loss per share

	$	$
Loss attributable to the ordinary equity holders of the Company used in the calculation of basic and diluted loss per share	**(3,442,596)**	(3,309,485)

Weighted average number of shares used as the denominator

	Number	Number
Weighted average number of ordinary shares used in the denominator in calculating loss per share	**305,553,913**	170,013,016

Information concerning classification of securities

Options granted are considered to be potential ordinary shares and have been included in the determination of diluted loss per share to the extent to which they are dilutive (the options are not considered to be dilutive). The options have not been included in the determination of basic loss per share. Details relating to the options are set out in Note 18.

Note 6: Dividends

There were no dividends paid or declared to equity holders during the year ended 30 June 2020.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 7: Cash and cash equivalents

	2020	2019
	$	$
Cash at bank and on hand	**1,342,942**	2,093,478

Cash at bank earns interest at floating rates based on daily bank deposit rates.

At 30 June 2020, the Group had available $49,999 (2019: $Nil) of undrawn committed borrowing facilities in respect of which all conditions precedent had been met.

Reconciliation to the Statement of Cash Flows:
For the purposes of the statement of cash flows, cash and cash equivalents comprise cash on hand and at bank and investments in money market instruments, net of outstanding bank overdrafts.

Cash and cash equivalents as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

	2020	2019
	$	$
Cash at bank and on hand, as above	**1,342,942**	2,093,478
Balance per statement of cash flows	**1,342,942**	2,093,478

Reconciliation of loss for the year to net cash flows from operating activities

	2020	2019
	$	$
Net loss for the year	**(3,442,596)**	(3,309,485)
Foreign exchange loss/(gain)	**12,681**	(16,221)
Equity settled share-based payment	**40,184**	204,634
Bad debts	**11,412**	-
Doubtful debts	**28,952**	43,466
Depreciation and amortisation	**521,424**	296,617
Impairment of assets	**3,472**	-
Loss on disposal of fixed assets	**1,426**	23,004
Increase/(decrease) in deferred tax accounts	**(1,059)**	(219,868)
Change in net assets and liabilities, net of effects from acquisition and disposal of businesses:		
(Increase)/Decrease in assets:		
Trade and other receivables	**90,336**	583,038
Inventories	**24,518**	-
Increase/(Decrease) in liabilities:		
Trade and other payables	**82,799**	(137,444)
Provisions	**(771)**	-
Net cash from operating activities	**(2,627,222)**	(2,532,259)

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 8: Trade and other receivables

	Note	**2020**	2019
		$	$
Trade and other receivables	(i)	**414,572**	375,253
Allowance for impairment		**(40,000)**	(12,443)
Total		**374,572**	362,810

(i) the average credit period on sales of goods and rendering of services is 30 days.

In determining the recoverability of a trade receivable, the Group considers any changes in the credit quality of the trade receivable from the date credit was initially granted up to the balance date. The concentration of credit risk is limited due to the customer base being large and unrelated. The above allowance for impairment relates to one specific debtor which management has deemed to be non-recoverable. Accordingly, the Directors believe that there are no further credit provisions required in excess of the allowance for impairment.

Reconciliation of trade and other receivables

	Note	**2020**	2019
		$	$
Trade debtors, noted above		**374,572**	362,810
GST and VAT receivable		**18,970**	29,827
Accrued revenue		**12,595**	-
Other receivables	(i)	**4,490**	-
Total		**410,627**	392,637

(i) includes a staff advance that has been fully impaired. There was an increase in the allowance of $1,395 for the year (2019: $41,950).

Note 9: Other current assets

	2020	2019
	$	$
Prepayments	**60,635**	8,594
Security deposits	**200,166**	24,423
Other	**720**	10
Total	**261,521**	33,027

Note 10: Inventories

	2020	2019
	$	$
Inventories at cost	**100,343**	-
Impairment allowance	**(72)**	-
Total	**100,271**	-

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 11: Property, plant and equipment

Carrying value

30 June 2020	Office equipment $	Computer equipment $	**Total $**
Cost	10,710	56,466	**67,176**
Accumulated Depreciation	(9,787)	(50,271)	**(60,058)**
Carrying value	923	6,195	**7,118**

30 June 2019	Office equipment $	Computer equipment $	Total $
Cost	-	20,581	20,581
Accumulated Depreciation	-	(16,647)	(16,647)
Carrying value	-	3,934	3,934

Reconciliation

30 June 2020	Office equipment $	Computer equipment $	**Total $**
Opening balance	-	3,934	**3,934**
Acquisitions through business combinations	1,560	-	**1,560**
Additions	2,323	8,122	**10,445**
Disposals	(1,426)	-	**(1,426)**
Depreciation expense	(1,534)	(5,861)	**(7,395)**
Closing balance	923	6,195	**7,118**

30 June 2019	Office equipment $	Computer equipment $	Total $
Opening balance	11,783	44,972	56,755
Foreign currency differences	202	3,165	3,367
Additions	-	3,854	3,854
Disposals	(11,623)	(23,597)	(35,220)
Depreciation expense	(362)	(24,460)	(24,822)
Closing balance	-	3,934	3,934

Impairment of fixed assets:
The recoverable amount of fixed assets is estimated to be in line with the carrying values, therefore, no impairment loss has been recognised during the year (2019: $nil).

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 12: Intangible assets

Carrying value

30 June 2020	Technology	Website development	Customer contracts	**Total**
	$	$	$	**$**
Cost	3,230,747	14,857	50,000	**3,295,604**
Accumulated amortisation	(1,185,397)	(11,457)	-	**(1,196,854)**
Accumulated impairment	(512,607)	(3,400)	-	**(516,007)**
Carrying value	1,532,743	-	50,000	**1,582,743**

30 June 2019	Technology	Website development	Provisionally accounted intangibles	Total
	$	$	$	**$**
Cost	3,230,747	14,997	1,566,667	4,812,411
Accumulated amortisation	(674,483)	(8,724)	-	(683,207)
Accumulated impairment	(512,607)	-	-	(512,607)
Carrying value	2,043,657	6,273	1,566,667	3,616,597

Reconciliation

30 June 2020	Notes	Technology	Website development	Customer contracts	Provisionally accounted intangibles	**Total**
		$	$	$	$	**$**
Opening balance		2,043,657	6,273	-	1,566,667	**3,616,597**
Transfer to customer contracts		-	-	50,000	(50,000)	**-**
Transfer to goodwill	13	-	-	-	(1,516,667)	**(1,516,667)**
Foreign currency differences		-	242	-	-	**242**
Amortisation		(510,914)	(3,115)	-	-	**(514,029)**
Impairment		-	(3,400)	-	-	**(3,400)**
Carrying value		1,532,743	-	50,000	-	**1,582,743**

Impairment
The recoverable amount of the website development asset has been estimated to be nil as the website is no longer operational. An impairment loss of $3,400 (2019:nil) has therefore been recognised to restate the carrying value to recoverable amount.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 12: Intangible assets (continued)

Reconciliation (continued)

30 June 2019	Notes	Technology	Website development	Provisionally accounted intangibles	Total
		$	$	$	$
Opening balance		2,293,243	9,108	-	2,302,351
Foreign currency differences		-	(833)	-	(833)
Additions		20,207	-	50,000	70,207
Acquisitions through business combinations	20	-	-	1,516,667	1,516,667
Amortisation		(269,793)	(2,002)	-	(271,795)
Carrying value		2,043,657	6,273	1,566,667	3,616,597

Note 13: Goodwill

Carrying value

	2020	2019
	$	$
Cost	**4,405,266**	2,016,181
Accumulated impairment	**(2,016,181)**	(2,016,181)
Carrying value	**2,389,085**	-

Reconciliation

	Note	**2020**	2019
		$	$
Opening balance		**-**	-
Transfer from provisionally accounted intangibles	12	**1,516,667**	-
Acquisitions through business combinations – QBID	20	**872,418**	-
Carrying value		**2,389,085**	-

Impairment

Goodwill acquired through business combinations has been allocated to the following cash generating units:

- Australia focused digital marketing
- China focused digital marketing and e-commerce

Carrying amount of goodwill allocated to each of the cash generating units:

30 June 2020	**Australia focused digital marketing**	**China focused digital marketing and e-commerce**	**Total**
	$	**$**	**$**
Carrying value	958,333	1,430,752	**2,389,085**

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 13: Goodwill (continued)

Impairment (continued)

The recoverable amount of the Group's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a one year projection period approved by management and extrapolated for a further five years using a steady rate, together with a terminal value.

Key assumptions used in value-in-use calculations

Key assumptions are those to which the recoverable amount of an asset or cash-generating units is most sensitive.

	Note	**Australia focused digital marketing**	**China focused digital marketing and e-commerce**
Pre-tax discount rate	(i)	18.5%	18.5%
Revenue growth rate	(ii)	2.7% - 20%	10% - 119%
Cost of sales growth rate	(iii)	10% - 15%	18% - 118%
Overheads growth rate	(iv)	7% - 63%	5%

(i) The discount rate reflects management's estimate of the time value of money and the Group's weighted average cost of capital adjusted for the relevant cash generating unit, the risk free rate and the volatility of the share price relative to market movements.

(ii) The revenue growth rate for the Australia focused digital marketing unit has been estimated by management based on past performance adjusted for the impact of COVID-19. The revenue growth rate for the China focused digital marketing and e-commerce unit has been estimated by management in accordance with the acquisition strategy and is expected to be significantly higher in the year after acquisition as the Group focuses on the expansion of the business. Following on from this initial year, revenue growth is conservatively estimated to stabilise as the Group focuses on providing a service to the expanded customer base.

(iii) The cost of sales growth rate for the Australia focused digital marketing unit has been based by management on past performance. The cost of sales growth rate for the China focused digital marketing and e-commerce unit has been estimated by management in accordance with the acquisition strategy. In line with a higher revenue growth rate in the year immediately after acquisition, cost of sales is also expected to be higher to accommodate the expansion of the business. Following from this initial year, cost of sales growth rates are also expected to stabilise in line with revenue growth.

(iv) The overheads growth rate has been based on past performance for both the Australia focused digital marketing unit and the China focused digital marketing and e-commerce unit.

Impact of possible changes in key assumptions

As disclosed in note 1, the directors have made judgements and estimates in respect of impairment testing of goodwill. Should these judgements and estimates not occur the resulting goodwill carrying amount may decrease. The sensitivities are as follows:

Revenue would need to decrease by more than 6% for the Australia focused digital marketing unit and 6% for the China focused digital marketing and e-commerce unit before goodwill would need to be impaired, with all other assumptions remaining constant.

The discount rate would be required to increase by 6% for the Australia focused digital marketing unit and 3% for the China focused digital marketing and e-commerce unit before goodwill would need to be impaired, with all other assumptions remaining constant.

The directors believe that other reasonable changes in the key assumptions on which the recoverable amount of, both the Australia focused digital marketing unit and China focused digital marketing and e-commerce unit, goodwill is based would not cause the cash-generating unit's carrying amount to exceed its recoverable amount.

If there are any negative changes in the key assumptions on which the recoverable amount of goodwill is based, this would result in an impairment charge for the goodwill of both the Australia focused digital marketing unit and the China focused digital marketing and e-commerce unit.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 14: Trade and other payables (current)

	Note	**2020**	2019
		$	$
Trade payables	(i)	**418,281**	445,365
Accruals		**286,628**	39,781
Deferred remuneration and bonuses payable	(ii)	**329,745**	-
Payroll liabilities		**275,875**	100,727
Deferred revenue		**95,796**	164,330
Other payables		**94,540**	137,437
		1,500,865	887,640

(i) Trade payables are non-interest bearing and are normally settled on 30-day terms.

(ii) During the year, in response to the COVID-19 situation, the Company directors and staff agreed to reductions in payment of their fees.

Note 15: Provisions

	2020	2019
	$	$
Long service leave	**15,737**	-

Note 16: Issued capital

Share capital

	2020	2019
	$	$
340,621,291 / 258,264,140 Ordinary shares issued and fully paid	**21,298,469**	18,560,841

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 16: Issued capital (continued)

Share capital (continued)

Movement in ordinary share capital

30 June 2020

Date	Details	Note	**Number**	**$**
	Opening balance		**258,264,140**	**18,560,841**
16 October 2019	Shares issued on placement	(i)	**13,157,895**	**500,000**
16 October 2019	Shares issued as consideration for services	18	**1,075,000**	**37,625**
16 October 2019	Share issued on cancellation of performance shares		**1**	**-**
3 December 2019	Shares issued as consideration for the acquisition of QBID	20	**12,938,605**	**452,851**
16 December 2019	Shares issued on placement	(ii)	**55,185,650**	**1,931,498**
	Less: Transaction costs arising on share issue	(iii)	**-**	**(184,346)**
	Closing balance		**340,621,291**	**21,298,469**

(i) The Company agreed a strategic placement of $500,000 to the Thompson Family, founders of the Lobster Shack restaurant and Indian Ocean Rock Lobster.

(ii) The Company accepted subscriptions under a placement of securities to sophisticated and professional investors.

(iii) Share issue costs include $34,767 for options issued to consultants assisting in the placements during the year. As the options were issued in connection with capital raisings, the value attributed to the options has been recorded directly in equity. Refer to note 18 for further details.

30 June 2019

Date	Details	Note	Number	$
	Opening balance		105,083,541	13,646,581
28 September 2018	Shares issued on placement	(i)	11,428,571	400,000
28 September 2018	Shares issued to settle outstanding debts		6,783,936	237,438
11 December 2018	Shares issued on placement	(i)	60,000,000	2,100,000
11 December 2018	Shares issued to settle outstanding debts		2,636,071	92,262
21 December 2018	Shares issued as consideration for the acquisition of CHOOSE Digital Pty Ltd and RooLife Limited		15,238,095	533,333
21 December 2018	Shares issued to settle outstanding debts		5,703,925	199,637
21 January 2019	Share issued on cancellation of performance shares		1	-
1 May 2019	Shares issued on placement	(i)	33,333,333	1,333,333
28 June 2019	Shares issued on placement	(i)	16,666,667	666,667
28 June 2019	Shares issued as consideration for services	(ii)	1,390,000	55,600
	Less: Transaction costs arising on share issue			(704,010)
	Closing balance		258,264,140	18,560,841

(i) The Company accepted subscriptions under a placement of securities to sophisticated and professional investors. The placement was completed in two tranches, the first of which utilised the Company's existing placement capacity under ASX Listing Rules, and the second after shareholder approval.

(ii) Share issue costs include $429,310 for options issued to consultants assisting in the placements during the year. As the options were issued in connection with capital raisings, the value attributed to the options has been recorded directly in equity. Refer to note 18 for further details.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 16: Issued capital (continued)

Options over ordinary shares

Options to subscribe for ordinary shares in the Company have been granted as follows:

(i) to employers and consultants under share based payment plans, details of which are disclosed in Note 18; and

(ii) to shareholders as free attaching options under placements offered by the Company.

Movement in options over ordinary shares

30 June 2020

Grant date	Expiry date	Exercise Price	Note	Opening balance	Options issued	Options lapsed	**Closing balance**
Unlisted options:							
9 September 2016	9 September 2019	$0.35		4,500,000	-	(4,500,000)	**-**
9 September 2016	30 June 2021	$0.35		3,000,000	-	-	**3,000,000**
9 September 2016	30 June 2023	$0.40		3,000,000	-	-	**3,000,000**
11 November 2016	11 November 2020	$0.30		2,000,000	-	-	**2,000,000**
18 January 2017	18 January 2020	$0.30		1,800,000	-	(1,800,000)	**-**
18 January 2017	18 January 2021	$0.35		600,000	-	-	**600,000**
18 January 2017	18 January 2022	$0.40		600,000	-	-	**600,000**
05 March 2020	31 October 2021	$0.55	(i)	-	20,000,000	-	**20,000,000**
Listed options:							
28 September 2018	31 October 2021	$0.05		7,214,307	-	-	**7,214,307**
23 November 2018	31 October 2021	$0.05		53,500,000	-	-	**53,500,000**
1 February 2019	31 October 2021	$0.05		10,000	-	-	**10,000**
13 May 2019	31 October 2021	$0.05		16,666,667	-	-	**16,666,667**
28 June 2019	31 October 2021	$0.05		11,333,333	-	-	**11,333,333**
06 March 2020	31 October 2021	$0.05	(ii), (iii)	-	31,455,821	-	**31,455,821**
				104,224,307	51,455,821	(6,300,000)	**149,380,128**

(i) B Carr and W Barry have been granted executive options during the year. These options have been valued using the Monte Carlo model taking into account the inputs as disclosed in Note 18.

(ii) The terms of the share placement in December 2019 entitled the holder to be issued with 1 free attaching listed option for every 2 ordinary shares purchased at $0.035.

(iii) The Company issued 2,862,996 options to Triple C Consulting Pty Ltd for their role as Lead Manager to the Placement. 1,000,000 options were also issued to Red Leaf Securities Pty Ltd for their assistance in relation to the Placement. Details of these options are disclosed in Note 18.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 16: Issued capital (continued)

Movement in options over ordinary shares (continued)

30 June 2019

Grant date	Expiry date	Exercise Price	Note	Opening balance	Options issued	Options lapsed	Closing balance
Unlisted options:							
9 September 2016	9 September 2019	$0.35		4,500,000	-	-	4,500,000
9 September 2016	30 June 2021	$0.35		3,000,000	-	-	3,000,000
9 September 2016	30 June 2023	$0.40		3,000,000	-	-	3,000,000
11 November 2016	11 November 2020	$0.30		2,000,000	-	-	2,000,000
18 January 2017	18 January 2020	$0.30		1,800,000	-	-	1,800,000
18 January 2017	18 January 2021	$0.35		600,000	-	-	600,000
18 January 2017	18 January 2022	$0.40		600,000	-	-	600,000
Listed options:							
28 September 2018	31 October 2021	$0.05	(i),(ii)	-	7,214,307	-	7,214,307
23 November 2018	31 October 2021	$0.05	(i),(iii)	-	53,500,000	-	53,500,000
1 February 2019	31 October 2021	$0.05		-	10,000	-	10,000
13 May 2019	31 October 2021	$0.05	(i)	-	16,666,667	-	16,666,667
28 June 2019	31 October 2021	$0.05	(i)	-	11,333,333	-	11,333,333
				15,500,000	88,724,307	-	104,224,307

(i) The terms of the share placements conducted during the previous year, entitled the holder to be issued with 1 free attaching listed option for every 2 ordinary shares purchased at $0.035.

(ii) R Jarvis was issued with 1,500,000 options in connection with the Company’s cash preservation strategy. Details of these options are disclosed in Note 18.

(iii) The terms of the capital raising in December 2018 entitled the holder to be issued with 1 free attaching listed option for every 2 ordinary shares purchased at $0.035. As a result 30,000,000 free attaching options were issued as part of the placement.

The Company issued 20,000,000 options to Triple C Consulting Pty Ltd (Triple C”) for their role as Lead Manager to the Placement. 3,500,000 options were also issued to Storm Enterprises Pty Ltd (“Storm”) for their assistance in relation to the Placement. Details of these options are disclosed in Note 18.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 17: Reserves

	2020	2019
	$	$
Share based payments reserve	**1,867,682**	1,827,498
Foreign currency translation reserve	**(155,275)**	(146,790)
	1,712,407	1,680,708

Nature and purpose of reserves

Share based payments reserve
This reserve is used to record the value of equity benefits provided to directors and executives as part of their remuneration, as well as to consultants and advisors for provision of services.

The value of performance shares issued on acquisition of subsidiaries is also recorded in this reserve. Details of performance shares on issue are provided in Note 18.

Foreign currency translation reserve
The foreign currency translation reserve is used to record exchange differences arising from the translation of the financial statements of foreign subsidiaries.

Movement in reserves

Share-based payments reserve

	Note	**2020**	2019
		$	$
Opening balance		**1,827,498**	831,105
Options granted under Plan 2: Incentive Share Option Plan	18	**5,417**	33,749
Options granted to Lead Manager and Advisory on Placement	16, 18	**34,767**	429,310
Performance shares issued to vendors of CHOOSE Digital and RooLife	20	**-**	533,334
Closing balance		**1,867,682**	1,827,498

Foreign currency translation reserve

	2020	2019
Opening balance	**(146,790)**	(130,228)
Currency translation differences arising during the year	**(8,485)**	(16,562)
Closing balance	**(155,275)**	(146,790)

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 18: Share-based payment plans

Performance shares

Recognised as a performance share based payment, the following amounts have been recorded as part of the acquisition consideration, with a corresponding amount recorded in the Share Based Payment Reserve.

	Note	**2020**	2019
		$	$
Tranche 1 Performance shares – Acquisition of CHOOSE Digital Pty Ltd	20	-	241,667
Tranche 1 Performance shares – Acquisition of Roolife Limited	20	-	291,667
		-	533,334

30 June 2019

The Company entered into a binding Heads of Agreement (HOA) to acquire two Australian-based businesses, CHOOSE Digital Pty Ltd and Roolife Pty Ltd (previously Roolife Limited). The consideration payable under the HOA was split into a cash payment, ordinary shares, and performance shares. Refer to Note 20 for further details of the consideration paid under the HOA.

Under the HOA, the Acquisition vendors were issued with 30,476,191 performance shares, which were split equally into two tranches and are subject to conversion into fully paid ordinary shares in the capital of the Company upon achievement of certain milestones. Should either of the milestones not be achieved within 5 years of Completion, the corresponding tranche of performance shares to which that milestone relates will lapse automatically.

The Directors were of the opinion that at 30 June 2019, it was probable that the Tranche 1 milestone would be achieved. As a result, the value of the Tranche 1 performance shares, was recorded as part of the acquisition consideration.

Class of performance shares

Performance shares comprise of the following classes and conversion details for each class is as follows:

Class A	Convert to ordinary shares upon the Company achieving within five years of issue annualised gross revenue exceeding \$3.5m (measured over any three-consecutive month period) or achieving 20m users (at least half of which are directly revenue generative).
Class B	Convert to ordinary shares upon the Company achieving within five years of issue annualised gross revenue exceeding \$7.5m (measured over any three-consecutive month period) or achieving 30m users (at least half of which are directly revenue generative).
Class C	Convert to ordinary shares upon the Company achieving within five years of issue annualised gross revenue exceeding \$12m (measured over any three-consecutive month period) or achieving 50m users (at least half of which are directly revenue generative).
Trance 1	Convert to ordinary shares upon CHOOSE Digital Pty Ltd and Roolife Pty Ltd (previously RooLife Limited) businesses first achieving aggregate revenue of \$1.8 million in a rolling 12-month period (as confirmed by audited financial statements).
Tranche 2	Convert to ordinary shares upon CHOOSE Digital Pty Ltd and RooLife Limited businesses first achieving aggregate revenue of \$3 million in a rolling 12-month period (as confirmed by audited financial statements).

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 18: Share-based payment plans (continued)

Performance shares (continued)

Movement in performance shares

30 June 2020

Details	Note	Number Class A	Number Class B	Number Class C	Number Tranche 1	Number Tranche 2	**Number Total**
Opening balance		1,800,000	1,800,000	1,650,000	15,238,095	15,238,095	**35,726,190**
Shares lapsed on cessation of employment		(600,000)	(600,000)	(550,000)	-	-	**(1,750,000)**
Closing balance		1,200,000	1,200,000	1,100,000	15,238,095	15,238,095	**33,976,190**

30 June 2019

Details	Note	Number Class A	Number Class B	Number Class C	Number Tranche 1	Number Tranche 2	Number Total
Opening balance		11,800,000	11,800,000	9,650,000	-	-	33,250,000
Shares issued on acquisition – Tranche 1	20	-	-	-	15,238,095		15,238,095
Shares issued on acquisition – Tranche 2	20	-	-	-	-	15,238,095	15,238,095
Shares lapsed on cessation of employment		(10,000,000)	(10,000,000)	(8,000,000)	-	-	(28,000,000)
Closing balance		1,800,000	1,800,000	1,650,000	15,238,095	15,238,095	35,726,190

Ordinary shares and share options

Recognised as a share-based payment expense:

	Note	**2020 $**	2019 $
Options granted under Plan 1: Special Purpose Share Option Plan	16, (i)	**34,767**	-
Options granted under Plan 2: Incentive Share Option Plan	16	**5,417**	33,749
Shares issued for corporate and investor relation fees	16, (ii)	**37,625**	55,600
		77,809	**89,349**

(i) Options issued to consultants assisting in the placements during the year. As the options were issued in connection with capital raisings, the value attributed to the options has been recorded directly in equity.

(ii) The Company issued shares as part consideration for corporate, investor and public relations services. The value of the services has been recognised in the statement of profit or loss and other comprehensive income within the line item “Consulting fees”.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 18: Share-based payment plans (continued)

Share options

The Company has an Incentive Share Option Plan (“ISOP”) under which options to subscribe for the Company's shares have been granted to certain directors and executives. In addition, further options were issued to certain directors and executives outside of the ISOP, but substantially on the same terms and conditions. The Company refers to these as Special Purpose Options and whilst no formal plan has been adopted for these options, the Company refers to any issues outside of the shareholder approval ISOP as being issued under the Special Purpose Option Plan (“SPP”).

The purpose of both the SPP and ISOP is to Special Purpose Share Option Plan (‘SPP’) is to:
- assist in the reward, retention and motivation of eligible participants;
- link the reward of eligible participants and the creation of shareholder value;
- align interests of eligible participants more closely with the interest of shareholders by providing an opportunity for eligible participants to receive shares;
- provide eligible participants with the opportunity to share in any future growth in value of the Company; and
- provide greater incentive for eligible participants to focus on the Company’s longer-term goals.

The following share option based payment arrangements were in place during the current and prior periods:

30 June 2020

	Number	Grant date	Expiry date	Exercise price $	Fair value at grant date $	Vesting date
Listed Options:						
Triple C Consulting Pty Ltd	2,862,996	6 March 2020	31 October 2021	$0.05	$25,767	6 March 2020
Red Leaf Securities Pty Ltd	1,000,000	6 March 2020	31 October 2021	$0.05	$9,000	6 March 2020
Unlisted Options:						
Bryan Carr (Tranche 1)	3,600,000	6 March 2020	5 February 2024	$0.055	$4,680	5 February 2023
Bryan Carr (Tranche 2)	3,600,000	6 March 2020	5 February 2024	$0.055	$8,640	5 February 2023
Bryan Carr (Tranche 3)	4,800,000	6 March 2020	5 February 2024	$0.055	$16,320	5 February 2023
Warren Barry (Tranche 1)	2,400,000	6 March 2020	5 February 2024	$0.055	$3,120	5 February 2023
Warren Barry (Tranche 2)	2,400,000	6 March 2020	5 February 2024	$0.055	$5,760	5 February 2023
Warren Barry (Tranche 3)	3,200,000	6 March 2020	5 February 2024	$0.055	$10,880	5 February 2023

There has been no alteration of the terms and conditions of the above share-based payment arrangement since grant date.

The fair value of the equity settled listed share options granted under the option plan is calculated in reference to the listed market price of the option on grant date, being $0.009.

The fair value of the equity settled unlisted share options, with market conditions, granted under the option plan is estimated at grant date using the Monte Carlo model, taking into account the terms and conditions upon which the options were granted, as follows:

	Note	B Carr	W Barry
Expected volatility (%)	(i)	80.5%	80.5%
Risk-free interest rate (%)		0.36%	0.36%
Expected life of option (days)	(ii)	1,067	1,067
Exercise price (cents)		5.5	5.5
Grant date share price (cents)		1.9	1.9

(i) The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

(ii) The expected life of the options is not based on historical data and is not necessarily indicative of exercise patterns that may occur. The number of days is calculated by the number of days between the grant date and expiry date of the option.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 18: Share-based payment plans (continued)

Share Options (continued)

30 June 2020 (continued)

The unlisted options granted were in three tranches with separate market conditions for each tranche as outlined below. The market conditions were incorporated into the measurement of fair value.

Tranche	**Vesting conditions**	**Number**
Tranche 1	The Vesting Condition for Tranche 1 will be taken to have been met if, for any 30 consecutive trading day period between the date of the grant of the Executive Officer Options and 5 February 2021, the VWAP of the Company’s Shares is equal to or greater than $0.055 per Share.	6,000,000
Tranche 2	The Vesting Condition for Tranche 1 will be taken to have been met if, for any 30 consecutive trading day period between the date of the grant of the Executive Officer Options and 5 February 2021, the VWAP of the Company’s Shares is equal to or greater than $0.08 per Share.	6,000,000
Tranche 3	The Vesting Condition for Tranche 3 will be taken to have been met if, for any 30 consecutive trading day period between 6 February 2022 and 5 February 2023, the VWAP of the Company’s Shares is equal to or greater than $0.12 per Share.	8,000,000

30 June 2019

	Number	Grant date	Expiry date	Exercise price $	Fair value at grant date $	Vesting date
Richard Jarvis	1,500,000	19 September 2018	31 October 2021	$0.05	26,766	19 September 2018
Triple C Consulting Pty Ltd	20,000,000	23 November 2018	31 October 2021	$0.05	313,065	23 November 2018
Storm Enterprises Pty Ltd	3,500,000	23 November 2018	31 October 2021	$0.05	54,786	23 November 2018
Triple C Consulting Pty Ltd	3,000,000	28 June 2019	31 October 2021	$0.05	61,458	28 June 2019

The fair value of the equity settled share options granted under the option plan is estimated as at the date of grant using the Black-scholes model taking into account the terms and conditions upon which the options were granted.

	Note	Richard Jarvis	Triple C	Storm	Triple C
Expected volatility (%)	(i)	89.92%	92.59%	92.59%	93.07%
Risk-free interest rate (%)		2.145%	2.145%	2.145%	0.99%
Expected life of option (days)	(ii)	1,138	1,073	1,073	856
Exercise price (cents)		5.0	5.0	5.0	5.0
Grant date share price (cents)		3.5	3.2	3.2	4.2

(iii) The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

(iv) The expected life of the options is not based on historical data and is not necessarily indicative of exercise patterns that may occur. The number of days is calculated by the number of days between the grant date and expiry date of the option.

No other features of options granted were incorporated into the measurement of fair value.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 18: Share-based payment plans (continued)

Share Options (continued)

The following table illustrates the movement (number) in share options issued under share based payment arrangements:

	2020 Number	2019 Number
Outstanding at the beginning of year	**40,500,000**	21,000,000
Granted during the year	**23,862,996**	25,000,000
Lapsed during the year	**(6,300,000)**	(5,500,000)
Exercised during the year	**-**	-
Expired during the year	**-**	-
Outstanding at the end of year	**58,062,996**	40,500,000
Exercisable at the end of year	**58,062,996**	40,500,000

The weighted average exercise price for all options noted above was $0.10 (2019: $0.11).

Note 19: Financial instruments

Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital, reserves and accumulated losses.

None of the Group's entities are subject to externally imposed capital requirements.

Operating cash flows are used to maintain and expand operations, as well as to make routine expenditures such as tax and general administrative outgoings.

Gearing levels are reviewed by the Board on a regular basis in line with its target gearing ratio, the cost of capital and the risks associated with each class of capital.

Categories of financial instruments

	2020 $	2019 $
Financial assets		
Cash and cash equivalents	**1,342,942**	2,093,478
Trade and other receivables	**410,627**	392,637
Other current assets	**261,521**	33,027
Financial liabilities		
Trade and other payables	**1,500,865**	887,640

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 19: Financial instruments (continued)

Financial risk management objectives
The Group is exposed to market risk (including currency risk, fair value interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk.

Market risk
The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates.

Foreign currency risk management
The Group undertakes certain transactions denominated in foreign currencies, hence exposures to exchange rate fluctuations arise.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the balance date expressed in Australian dollars are as follows:

	Liabilities		Assets	
	2020	2019	**2020**	2019
	$	$	**$**	$
Great British Pounds (GBP or £)	**1,450**	4,717	**48,160**	11,662
Singapore Dollars (SGD or S$)	**35,835**	28,765	**21,965**	97,184
Hong Kong Dollars (HKD or H$)	**2,698**	-	**26,184**	-
Chinese Yuan (CNY)	**418**	-	**17,551**	-

Foreign currency sensitivity analysis
The Group is exposed to both GBP and SGD currency fluctuations.

The following table details the Group's sensitivity to a 10% increase and decrease in the Australian dollar against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign exchange rates.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower.

A positive number indicates an increase in profit or loss and other equity where the Australian Dollar strengthens against the respective currency. For a weakening of the Australian Dollar against the respective currency there would be an equal and opposite impact on the profit and other equity and the balances below would be negative.

	Profit or loss (i)		Equity (ii)	
	2020	2019	**2020**	2019
	$	$	**$**	$
GBP Impact	**4,246**	631	**(265,085)**	(264,505)
SGD Impact	**(1,260)**	6,220	**(363,776)**	(342.537)
HKD Impact	**2,135**	-	**(2,407)**	-
CNY Impact	**1,558**	-	**(2,025)**	-

(i) This is mainly attributable to the exposure outstanding on foreign currency denominated net assets at year-end in the Group.

(ii) This is mainly as a result of the restating of the intercompany loans between the Company and its foreign subsidiaries, where on consolidation the exchange rate difference on restating loans into their AUD equivalent is transferred to the foreign exchange translation reserve in equity.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 19: Financial instruments (continued)

Interest rate risk management
The Group is limited in its exposure to interest rate risk as entities in the Group do not borrow any funds. The only exposure to interest rate risk is on the Group's exposures on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

Credit risk management
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group does not have any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. The credit risk on liquid funds is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Liquidity risk management
Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements.

The Group manages liquidity risk by maintaining adequate cash reserves and by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Group has no non-derivative financial liabilities.

Fair value of financial instruments
The Group has a number of financial instruments which are not measured at fair value in the statement of financial position. The directors consider that the carrying value of the financial assets and financial liabilities are considered to be a reasonable approximation of their fair values.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 20: Business combinations

30 June 2020

QBID Pty Ltd

As announced by the Company on 16 September 2019, an agreement was reached to acquire China market entry and digital marketing company, Quality Brands International Direct ("QBID").

A further announcement was made on 29 November to inform the market that a definitive Share Purchase Agreement (SPA) had been executed, with completion pending settlement of part of the consideration. The SPA specifically stipulates that from 1 November 2019, the Company is responsible for all liabilities incurred and entitled to all revenue earned. As a result, acquisition date is deemed to be 1 November 2019.

A final announcement was made on 4 December 2019 to confirm that the acquisition was completed.

Details of the purchase acquisition and net assets acquired are as follows:

	Notes	$
Cash consideration paid to Acquisition vendors		50,000
Part of cash consideration applied to working capital of QBID		150,000
12,938,605 fully paid shares in the capital of the Company issued to the shareholders of QBID, valued at 3.5 cents per share	16	452,851
Contingent cash consideration of $150,000	(i)	-
Contingent performance based milestone 1		
$491,667 in ordinary shares to be issued to vendors at the 30 day VWAP prior to share issue date	(i)	-
Contingent performance based milestone 2		
$1,333,333 in ordinary shares to be issued to vendors at the 30 day VWAP prior to share issue date	(i)	-
		652,851

(i) On achievement of $2 million in revenue in any 6 month period within 3 years of completion, the Company is required to pay further consideration of $150,000 in cash and issue the performance shares. On achievement of $4.5 million in revenue in any 12 month period within 3 years of completion, the Company is required to issue the performance shares. The shares are to be issued to the vendors at the 30 day VWAP prior to share issue date.

At the date of acquisition, the directors could not resolve with any certainty whether it would be considered probable that the performance milestones will be achieved. As a result, the contingent consideration does not form part of the consideration on acquisition.

The contingent consideration payable in shares is classified as equity and will not be subsequently remeasured if the performance milestones are satisfied. Shares issued on satisfaction of the performance milestones will be accounted for within equity. The contingent consideration payable in cash is classed as a financial liability and will be accounted for in profit or loss.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 20: Business combinations (continued)

QBID Pty Ltd (continued)

The assets and liabilities recognised as a result of the acquisition are as follows:

	As at 1 November 2019
	$
Cash	(10,948)
Trade receivables	76,517
Other receivables	236,029
Fixed Assets	1,560
Inventories	124,789
Trade payables	(128,156)
Other payables	(502,850)
Provisions	(16,508)
	(219,567)
Excess consideration paid over net assets acquired	872,418
	652,851

Impact of acquisition on the results of the Group

If the combination had taken place at the beginning of the year, additional revenue of $425,940 would have been recognised for the period to 1 November 2019, with an immaterial impact on the loss for the period due to the private company structure of the entity.

Net cash outflow from acquisitions

	2020	2019
	$	$
Cash paid	**50,000**	-
Cash consideration applied to working capital	**150,000**	-
Add: Cash deficit assumed on acquisition	**10,948**	-
Net cash outflow	**210,948**	-

Finalisation of provisionally accounted business combinations

As disclosed in the full year accounts for the year ended 30 June 2019, the acquisitions of RooLife Pty Ltd (previously RooLife Limited), CHOOSE Digital Pty Ltd and Blackglass Pty Ltd were provisionally accounted for as the Company was finalising the allocation of the initial excess consideration from the acquisition. During the year, the allocation has been finalised and there has been no adjustment to the provisional amounts for the acquisition of RooLife Pty Ltd and Choose Digital Pty Ltd. The provisional amount for the acquisition of Blackglass Pty Ltd was adjusted for a change in the working capital adjustment but there was no change to the initial excess consideration as a result of this adjustment. The provisionally calculated initial excess consideration has been classified as goodwill and customer contracts.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 20: Business combination (continued)

On 12 September 2018, the Company entered into a binding HOA to acquire two Australian-based businesses, CHOOSE Digital and RooLife. Under the HOA, RooLife agreed to purchase all of the issued shares in each of CHOOSE Digital and RooLife as a single transaction, which was subsequently approved at the Company's AGM on 23 November 2018.

As announced by the Company on 21 December 2018, the Acquisition was completed and as a result, both CHOOSE Digital and RooLife became wholly-owned subsidiaries of the Company.

Details of the purchase acquisition and net assets acquired are as follows:

RooLife Limited

	Note	$
Cash consideration paid to Acquisition vendors		75,000
6,904,762 fully paid shares in the capital of the Company issued to the shareholders of RooLife Limited, valued at 3.5 cents per share	16	241,667
6,904,762 Tranche 1 performance shares in the capital of the Company issued to the shareholders of RooLife Limited, valued at 3.5 cents per share	18	241,667
6,904,762 Tranche 2 performance shares in the capital of the Company issued to the shareholders of RooLife Limited, valued at 3.5 cents per share	(i)	-
		558,334

The assets and liabilities recognised as a result of the acquisition are as follows:

		As at 19 December 2018 $
Other receivables		100
		100
Excess consideration paid over net assets acquired	(ii)	558,234
		558,334

CHOOSE Digital Pty Ltd

	Note	$
Cash consideration paid to Acquisition vendors		75,000
8,333,333 fully paid shares in the capital of the Company issued to the shareholders of CHOOSE Digital Pty Ltd, valued at 3.5 cents per share	16	291,666
8,333,333 Tranche 1 performance shares in the capital of the Company issued to the shareholders of CHOOSE Digital Pty Ltd, valued at 3.5 cents per share	18	291,667
8,333,334 Tranche 2 performance shares in the capital of the Company issued to the shareholders of CHOOSE Digital Pty Ltd, valued at 3.5 cents per share	(i)	-
		658,333

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 20: Business combination (continued)

CHOOSE Digital Pty Ltd (continued)

The assets and liabilities recognised as a result of the acquisition are as follows:

	Note	As at 19 December 2018
		$
Cash		10,322
Other receivables		100
Accounts receivable		108,352
Intangible asset – customer contracts	(ii)	50,000
Accounts payable		(44,658)
Accruals		(756)
Unearned revenue		(27,588)
GST payable		(8,733)
Directors loan account		(28,024)
Deferred payment obligation	(ii)	(50,000)
Annual leave provision		(8,915)
		100
Excess consideration paid over net assets acquired	(iii)	658,233
		658,333

(i) At the date of acquisition, the directors could not resolve with any certainty whether it would be considered probable that the performance milestones will be achieved. As a result, the contingent consideration does not form part of the consideration on acquisition.

The contingent consideration payable in shares is classified as equity and will not be subsequently remeasured if the performance milestones are satisfied. Shares issued on satisfaction of the performance milestones will be accounted for within equity.

(ii) On 3 August 2018, CHOOSE Digital entered into a binding asset sale agreement with Velpic Limited and Dash Digital Pty Ltd ("Dash Digital"), whereby Choose Digital agreed to acquire key Customer Contracts from Dash Digital for a cash consideration of $50,000. Subsequently, RooLife and Choose Digital entered into a HOA, whereby RooLife agreed to provide $50,000 in cash to Dash Digital to satisfy CHOOSE Digital's deferred payment obligation.

(iii) The initial accounting for the business combination was incomplete when the 30 June 2019 annual financial report was produced. During the financial year, the allocation was finalised and there was no change to provisional amounts and the initial excess consideration has been classified as goodwill and customer contracts.

Net cash outflow from acquisitions

	2020	2019
	$	$
Cash paid	-	150,000
Less: Cash acquired on acquisition of CHOOSE Digital	-	(10,322)
Net cash outflow	-	139,678

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 20: Business combination (continued)

Blackglass Pty Ltd

Pursuant to the Company announcement on 12 April 2019, RooLife Group Ltd has reached an agreement to acquire digital marketing Company, Blackglass Pty Ltd from ASX-listed IncentiaPay Limited. The consideration payable by the Company in connection with the acquisition is $300,000, subject to a working capital adjustment, which was estimated to be $80,406 in the previous financial year and was finalised at $45,000. Cash of $100,000 was paid to the vendors in the previous financial year and a further payment of $155,000 was made in the current financial year.

Details of the purchase acquisition and net assets acquired are as follows:

	$
Cash consideration paid to Acquisition vendors in financial year ended 30 June 2019	100,000
Cash consideration paid to Acquisition vendors in financial year ended 30 June 2020	155,000
	255,000

The assets and liabilities recognised as a result of the acquisition are as follows:

	Note	As at 18 April 2019
		$
Cash		60,317
Trade receivables		390,711
Other receivable		70,120
GST refundable		5,016
Accounts payable		(375,271)
Other current liabilities		(131,088)
Payroll liabilities		(36,361)
Leave entitlements		(28,444)
		(45,000)
Excess consideration paid over net assets acquired	(i)	300,000
		255,000

(i) The initial accounting for the business combination was incomplete when the 30 June 2019 annual financial report was produced. During the financial year, the allocation was finalised and the provisional amounts were adjusted for the working capital adjustment. There was no change to the initial excess consideration as a result of the adjustment and it has been classified as goodwill.

Net cash outflow from acquisitions

	2020	2019
	$	$
Cash paid	**155,000**	100,000
Less: Cash acquired on acquisition of Blackglass	-	(60,317)
Net cash outflow at balance date	**155,000**	39,683

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 21: Commitments and contingencies

Lease commitments – Group as lessee
The Group has entered into commercial leases on certain premises. These leases have an average life of less than 1 year with no renewal option included in the contracts. There are no restrictions placed upon the lessee by entering into these leases. These leases have not been accounted for under AASB 116 as they are exempt due to the short term nature of the leases.

Future minimum rentals payable under the leases are as follows:

	2020	2019
	$	$
Within one year	**12,400**	67,043
After one year but not more than five years	**-**	-
More than five years	**-**	-
	12,400	67,043

Capital commitments
As at 30 June 2020 and 30 June 2019 the Group has no capital commitments.

Note 22: Related party disclosure

Parent entity
RooLife Group Ltd is the ultimate Australian parent entity and ultimate parent of the Group.

Subsidiaries
Interests in subsidiaries are set out in Note 23 below.

Key management personnel compensation

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

	2020	2019
	$	$
Short-term employee benefits	**1,293,137**	1,325,610
Post-employment benefits	**30,552**	36,318
Share-based payments	**5,417**	485,564
	1,329,106	1,847,492

During the year ended 30 June 2020 and 30 June 2019, no share options were exercised by, and no loans were made to, key management personnel.

Key management personnel transactions
Related party transactions with key management personnel are described below. These payments were made based on normal commercial terms and conditions.

The following amounts were paid to Murcia Pestell Hillard Pty Ltd, a company related to Mr. G Pestell:

	Note	**2020**	2019
		$	$
Provision of general legal services	(i)	**92,038**	214,535
		92,038	214,535

(i) For the year ended 30 June 2019, $33,040 of the fees owed to Murcia Pestell Hillard, were settled via the issue of ordinary shares.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 22: Related party disclosure (continued)

Key management personnel transactions (continued)

The following amounts were paid to Storm Enterprises Pty Ltd, a company related to Mr. G Pestell:

	Note	**2020**	2019
		$	$
Provision of advisory services in relation to Placement	(i)	-	54,786
		-	54,786

(ii) Mr G Pestell has a 24% interest in Storm. The entity is not controlled by Mr Pestell, nor does he have the capacity to determine the entity's ability to dispose of securities it holds.

Note 23: Interests in subsidiaries

The consolidated financial statements include the financial statements of RooLife Group Ltd and the subsidiaries listed in the following table.

		% Equity interest		Investment	
	Country of	2020	2019	2020	2019
Name of entity	incorporation	%	%	$	$
OpenDNA (UK) Limited	United Kingdom	100	100	4,865,516	4,865,516
OpenDNA (Singapore) Pte Ltd	Singapore	100	100	98	98
OpenDNA Inc	United States	-	100	-	265
CHOOSE Digital Pty Ltd	Australia	100	100	658,333	658,333
RooLife Pty Ltd	Australia	100	100	558,334	558,334
RooLife (HK) Limited	Hong Kong	100	100	-	-
Blackglass Pty Ltd	Australia	100	100	300,000	300,000
QBID Pty Ltd	Australia	100	-	652,851	-
QBID Holdings Pty Ltd	Australia	100	-	-	-
Qualis Pty Ltd	Australia	100	-	-	-
Qualis Brands Pty Ltd	Australia	100	-	-	-
Roolife China	China	100	-	-	-

RooLife Group Ltd is the ultimate Australia parent entity and the ultimate parent of the Group. Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation.

Details of transactions between the Group and other related entities are disclosed below.

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 23: Interests in subsidiaries (continued)

Trading transactions
The following balances were outstanding at the end of the reporting period.

	Consolidated			
	Amounts owed by related parties		Amounts owed to related parties	
	2020	2019	**2020**	2019
	$	$	**$**	$
Murcia Pestell Hillard Pty Ltd	**-**	-		5,622

The amounts outstanding are unsecured and will be settled in cash. No guarantees have been given or received. No expense has been recognised in the period for bad or doubtful debts in respect of the amounts owed by related parties.

Note 24: Parent entity disclosures

Financial position

	2020	2019
	$	$
Current assets	**768,689**	1,793,174
Non-current assets – equipment	**1,983**	3,013
Non-current assets – investments in and loans to, subsidiaries	**4,345,043**	3,895,899
Current liabilities	**(538,010)**	(441,112)
Net assets	**4,577,705**	5,250,974
Equity		
Issued capital, net of capital raising costs	**21,298,469**	18,560,841
Share-based payments reserve	**1,867,682**	1,827,498
Accumulated losses	**(18,588,446)**	(15,137,365)
Total equity	**4,577,705**	5,250,974

Financial performance

Loss for the year	**(3,451,081)**	(3,326,047)
Other comprehensive loss	**-**	-
Total comprehensive loss	**(3,451,081)**	(3,326,047)

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
As at 30 June 2020, the Company has not entered into any cross guarantees with any of its subsidiaries (30 June 2019: Nil).

Contingent liabilities of the parent entity
As at 30 June 2020 the Company has no contingent liabilities (30 June 2019: Nil).

Capital commitments
As at 30 June 2020 the Company has no capital commitments (30 June 2019: Nil).

Notes to the financial statements (continued)
For the year ended 30 June 2020

Note 25: Auditor's remuneration

The auditor of RooLife Group Ltd is HLB Mann Judd.

	2020	2019
	$	$
Auditor of the parent entity		
Audit or review of the financial statements	**55,373**	36,666
Taxation compliance	**-**	8,230
	55,373	44,896
Network firm of the parent Company auditor		
Audit or review of the financial statements of Roolife (HK) Limited	**1,433**	-
	56,806	44,896

Note 26: Events subsequent to the reporting date

On 21 August 2020, the Group announced that it will undertake a non-renounceable entitlement issue of 1 share for every 2 shares held by shareholders registered at the record date at an issue price of $0.03 per share, together with 1 free attaching Option for every 1 share. Based on the capital structure of the Company (assuming no existing options or performance shares are exercised prior to record date), a maximum of 183,083,944 shares and 183,083,944 options will be issued pursuant to the entitlements issue to raise up to $5,492,518. No funds will be raised from the issue of the options.

Included in the entitlement issue is a shortfall offer which will allow Shareholders to apply for additional shares and attaching options in excess of their entitlements.

On 27 August 2020, the Group completed a placement to sophisticated and professional investors to raise $766,397, before costs, via an issue of 25,546,595 ordinary shares at $0.03 each.

Other than noted above, there has been no additional matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

Note 27: New Standards Adopted

AASB 16 Leases
AASB 16 Leases supersedes AASB 117 Leases. The Group has adopted AASB 16 from 1 July 2019 which has resulted in changes in the classification, measurement and recognition of leases.

The Group has operating leases in place that have a remaining lease term of less than 12 months as at 1 July 2019. The exemptions available under AASB 16 have therefore been applied and the leases have been accounted for as short-term leases, with no right-of-use asset nor lease liability recognised.

As a result, there is no impact on the application of AASB 16 to the Group's annual financial statements.

Directors' declaration

1. In the opinion of the directors of RooLife Group Ltd (the 'Company'):

    a. the accompanying financial statements and notes are 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 2020 and of its performance for the year then ended; and

        ii. complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements.

    b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

    c. the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2020.

This declaration is signed in accordance with a resolution of the board of directors.

B. E. Carr.

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Bryan Carr
Managing Director and Chief Executive Officer
Dated: 27 August 2020

HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REPORT

To the members of RooLife Group Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of RooLife Group Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the 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:

a) giving a true and fair view of the Group's financial position as at 30 June 2020 and of its financial performance for the year then ended; and

b) 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 Group in accordance with the auditor independence requirements of 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 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 1(e) in the financial report, which indicates 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. In addition to the matter described in the *Material Uncertainty Related to Going Concern* section above, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Acquisition of QBID Holdings Pty Ltd Note 20 of the financial report	
During the year, the Group acquired 100% of the issued capital of QBID Holdings Pty Ltd. This was considered a significant acquisition by the Group. The acquisition has been accounted for in line with the provisions of AASB 3 *Business Combinations*. We focused on this area as a key audit matter as accounting for this transaction is a complex and judgemental exercise. Management is required to determine the fair value of the assets acquired and liabilities assumed, and in particular to determine the allocation of purchase consideration to goodwill and separately identifiable intangible assets.	Our procedures included, but were not limited to the following: - We read the acquisition agreement to understand the key terms and conditions; - We agreed the fair value of the consideration paid to supporting evidence; - We obtained audit evidence that the acquisition-date assets and liabilities of the business were fairly stated; - We considered the accounting for the excess of consideration paid over the identifiable net assets acquired, having regard to the Group's application of the accounting concepts in accordance with AASB 3; and - We assessed the adequacy of the Group's disclosures in the financial report.
Carrying Value of Intangible Assets and Goodwill Notes 12 and 13 of the financial report	
In accordance with AASB 136 *Impairment of Assets*, the Group was required to assess at balance date, whether there was any indication that the technology asset may have been impaired. If any such indication existed, the Group was required to estimate the recoverable amount of the asset. The Group was also required to test goodwill for impairment. We focused on this area as the intangible assets and goodwill represent two of the most significant assets of the Group. We planned our work to address the audit risk that the intangible assets and goodwill may have been impaired.	Our procedures included, but were not limited to the following: - We reviewed management's assessment of whether any impairment indicators existed that would require the technology asset to be tested for impairment; - We considered the indicators of impairment set out in AASB 136 to determine whether any indicators existed that would require the Group to test its technology asset for impairment; - We critically evaluated the assumptions used in management's discounted cash flow forecasts to support the carrying value of the goodwill and technology asset; and - We performed sensitivity analyses on management's discounted cash flow forecasts to determine reasonableness.

Key Audit Matter	How our audit addressed the key audit matter
Revenue Recognition Note 2 of the financial report	
The Group has two distinct categories of revenue, being revenue with performance obligations recognised at a point in time and those recognised over time. We focused on this area as a key audit matter due to the number and type of estimation events that may occur over the course of a contract life, leading to complex and judgemental revenue recognition and direct impact on profit.	Our procedures included, but were not limited to the following: - We evaluated the appropriateness of the Group's revenue recognition policies against the requirements of AASB 15 *Revenue from Contracts with Customers;* - We assessed the performance obligations, transaction price, any contract liabilities that may arise, the allocation of the transaction price and point of revenue recognition (either at a point in time or over time) for a sample of revenue transactions; - We assessed the methodology and accuracy of recognising profit at the stage of completion at balance date for a sample of revenue designated for recognition over time; - We substantiated revenue transactions on a sample basis by agreeing the transaction to the sales invoice and bank receipt; and - We assessed the adequacy of the Group's disclosures in the financial report.

Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly 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 this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors 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 ability of the Group 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 Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities 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 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.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the directors' report for the year ended 30 June 2020.

In our opinion, the Remuneration Report of RooLife Group Limited for the year ended 30 June 2020 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.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Perth, Western Australia
27 August 2020

L Di Giallonardo
Partner

Additional Securities Exchange Information

The shareholders information set out below was applicable as at 26 August 2020.

(a) Distribution of equity securities

The following is a distribution schedule for fully paid ordinary shares:

Range	Total holders	Units	% of Issued Capital
1 - 1000	26	4,230	0.00
1,001 - 5,000	44	187,700	0.06
5001-10,000	73	649,016	0.19
10,001-100,000	753	30,126,101	8.84
100,001 Over	428	309,654,244	90.91
Rounding			0.00
Total	**1,324**	**340,621,291**	**100.00**

Unmarketable Parcels

	Minimum Parcel Size	Holders	Units
Minimum $ 500.00 parcel at $0.034 per unit	14,706	226	1,885,540

The following is a distribution schedule for Listed Options

Range	Total holders	Units	% of Issued Capital
1 - 1000	33	42	0.00
1,001 - 5000	0	0	0.00
5,001 – 10,000	0	0	0.00
10,001 – 100,000	23	1,592,296	1.32
100,001 Over	124	118,587,790	98.68
Rounding			0.00
Total	**181**	**120,180,128**	**100**

(b) Equity security holders

The following is a listing of the top 20 holders of fully paid ordinary shares.

Rank	Name	Units	% of Units
1.	MR JAY SHAH	32,338,332	9.49
2.	NEXT GENERATION FISHERIES PTY LTD	13,157,895	3.86
3.	PASSIO PTY LTD <G WESTON & ASSOC S/F A/C>	10,140,000	2.98
4.	BARRY CONSULTING PTY LTD <BARRY FAMILY A/C>	7,619,047	2.24
5.	MR STEWART WILKINSON	6,365,244	1.87
6.	PELLICCIONE SF PTY LTD <PELLICCIONE S/F A/C>	5,630,449	1.65
7.	KAYEFTEE PTY LTD <KAYEFTEE FAMILY A/C>	5,190,663	1.52
8.	TYCKE PTY LTD <GEORGE & ROSEMARIE PANAGIOS FAMILY A/C>	5,190,663	1.52
9.	MR PETER DAVID SHEPPEARD + MRS SHARON FAY SHEPPEARD <SHEPPEARD FAMILY S/F A/C>	5,000,000	1.47
10.	CITICORP NOMINEES PTY LIMITED	4,347,990	1.28
11.	MR GARY ROGER KNIGHTS <KNIGHTS FAMILY A/C>	4,166,667	1.22
12.	MR JEREMY NICHOLAS TOLCON	4,000,000	1.17
13.	KERRY JOHN MASON	3,520,827	1.03
14.	MR BRYAN EDWARD CARR <SHABAZ FAMILY A/C>	3,452,381	1.01
15.	MR RICHARD ALAN JARVIS + MRS LINDA FRANCES JARVIS <THE JARVIS FAMILY A/C>	3,436,905	1.01
16.	MR JEFCOATE JENSEN DICKIE	3,000,000	0.88
17.	PARRY CAPITAL MANAGEMENT LIMITED	2,857,143	0.84
18.	MR HARRY ARTHUR HILL + MS JANE CAROLINE HILL <HARRY ARTHUR HILL SUPER A/C>	2,797,187	0.82
19.	MR PETER NESVEDA	2,791,000	0.82
20.	MR PAUL NATHAN TOLCON + MRS EMILY MEGHANN TROUGHEAR-JONES <P & M TOLCON SUPER FUND A/C>	2,672,000	0.78
Totals: Top 20 holders of ORDINARY SHARES (GROUPED)		**127,674,393**	**37.48**
Total Remaining Holders Balance		**212,946,898**	**62.52**

The following is a listing of the top 20 holders of Listed Options.

Rank	Name	Units	% of Units
1.	CS THIRD NOMINEES PTY LIMITED <HSBC CUST NOM AU LTD 13 A/C>	12,121,336	10.09
2.	PIGEQUITY PTY LTD	7,162,996	5.96
3.	MR PETER DAVID SHEPPEARD <SHEPPEARD FAMILY A/C>	6,809,858	5.67
4.	MTR CONTROLLED EQUITIES PTY LTD	4,600,000	3.83
5.	PARRY CAPITAL MANAGEMENT LTD <PARRY SPEC SIT SP FUND A/C>	4,303,572	3.58
6.	PASSIO PTY LTD <G WESTON & ASSOC S/F A/C>	4,069,999	3.39
7.	STORM ENTERPRISES PTY LTD	3,500,000	2.91
8.	WHITE SWAN NOMINEES PTY LTD	2,857,143	2.38
9.	MR PETER DAVID SHEPPEARD <SHEPPEARD FAMILY NO 2 A/C>	2,510,001	2.09
10.	MR CARLO CHIODO	2,425,000	2.02
11.	PELLICCIONE SF PTY LTD <PELLICCIONE S/F A/C>	2,142,858	1.78
12.	MR MARIAN VOINEA	2,105,000	1.75
13.	MR JIA-JIAN CHEN + MRS ZHANG PING	2,000,000	1.66
14.	MR WILLIAM FRANCIS HUGHES <THE HUGHES FAMILY A/C>	2,000,000	1.66
15.	INTERNATIONAL BUSINESS NETWORK (SERVICES) PTY LTD	2,000,000	1.66
16.	MR PETER DAVID SHEPPEARD + MRS SHARON FAY SHEPPEARD <SHEPPEARD FAMILY S/F A/C>	2,000,000	1.66
17.	MR JEREMY NICHOLAS TOLCON	2,000,000	1.66
18.	RUCKING INVESTMENTS PTY LTD <RUMBLE ROAR A/C>	1,800,000	1.50
19.	UBS NOMINEES PTY LTD	1,700,000	1.41
20.	NORTHWEST ACCOUNTANCY PTY LTD <THE PKKP PEOPLES A/C>	1,550,000	1.29
Totals: Top 20 holders of ORDINARY SHARES (GROUPED)		**69,557,763**	**57.96**
Total Remaining Holders Balance		**50,522,365**	**42.04**

The following unlisted options are on issue:

Number of Options	Number of holders	Option Terms
3,000,000	3	Options exercisable at $0.35 expiring 30 June 2021
3,000,000	3	Options exercisable at $0.40 expiring 30 June 2023
2,000,000	3	Options exercisable at $0.30 expiring 11 November 2020
600,000	1	Options exercisable at $0.35 expiring 18 January 2021
600,000	1	Options exercisable at $0.40 expiring 18 January 2022
20,000,000	2	Executive Options exercisable at $9.055 expiring 4 February 2024
29,200,000		

The following Performance Shares are on issue:

Number of Performance Shares	Number of holders	Performance Share Terms
1,200,000	2	Class A Performance Shares
1,200,000	2	Class B Performance Shares
1,100,000	2	Class C Performance Shares
15,238,095	3	Tranche 1 Performance Shares
15,238,096	3	Tranche 2 Performance Shares
33,976,191		

(c) Restricted Securities

The following are restricted securities currently on issue:

- 12,938,605 Fully Paid Ordinary Shares voluntary escrowed to 3 December 2020

(d) Voting rights

Every ordinary shareholder present in person or by proxy at meetings of shareholders shall have one vote for every share held.

Option holders and Performance Share Holders have the right to attend meetings but have no voting rights until the options are exercised.

(e) Substantial holders

The following shareholders are considered substantial shareholders of the Company:

- Mr Jay Shah, holding 32,338,332 Shares representing 9.49% of the total ordinary shares on issue.

(f) Corporate governance statement

In accordance with ASX Listing Rule 4.10.3, the Company's Corporate Governance Statement can be found on its website at www.roolifegroup.com.au.