

## 1. Company details

Name of entity:	Kyckr Limited
ABN:	38 609 323 257
Reporting period:	For the year ended 30 June 2021
Previous period:	For the year ended 30 June 2020

## 2. Results for announcement to the market

			\$
Revenues from ordinary activities	up	13.3% to	2,718,169
Loss from ordinary activities after tax attributable to the owners of Kyckr Limited	up	12.9% to	(5,543,134)
Loss for the year attributable to the owners of Kyckr Limited	up	12.9% to	(5,543,134)

### Dividends

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

### Comments

The loss for the consolidated entity after providing for income tax amounted to \$5,543,134 (30 June 2020: \$4,907,827).

Refer to Market announcement issued on 31 August 2021 for further commentary.

## 3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>1.15</u>	<u>1.99</u>

## 4. Control gained over entities

Not applicable.

## 5. Loss of control over entities

Not applicable.

## 6. Dividends

### Current period

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

### Previous period

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

## 7. Dividend reinvestment plans

Not applicable.

---

## 8. Details of associates and joint venture entities

Not applicable.

---

## 9. Foreign entities

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

Not applicable.

---

## 10. Audit qualification or review

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

The financial statements are in the process of being audited and an unqualified opinion is expected to be issued.

---

## 11. Attachments

*Details of attachments (if any):*

The Preliminary Financial Report of Kyckr Limited for the year ended 30 June 2021 is attached.

---

## 12. Signed

As authorised by the Board of Directors

Signed Rajarshi M. Ray

Rajarshi Ray  
Chairman  
Sydney

Date: 31 August 2021



**Kyckr Limited**

**ABN 38 609 323 257**

**Preliminary Financial Report - 30 June 2021**

For personal use only

Statement of profit or loss and other comprehensive income	2
Statement of financial position	3
Statement of changes in equity	4
Statement of cash flows	5
Notes to the financial statements	6

For personal use only

	Note	Consolidated 2021 unaudited \$	2020 \$
<b>Revenue</b>	1	2,718,169	2,399,295
Other income	2	54,690	314,980
Interest revenue calculated using the effective interest method		32,416	19,962
<b>Expenses</b>			
Direct costs and consumables used		(1,177,009)	(1,044,615)
Software maintenance expenses		(1,708,726)	(1,182,526)
Employee benefits expense	3	(3,035,013)	(3,195,523)
Share-based payments expense	3	(159,960)	24,483
Depreciation and amortisation expense	3	(253,616)	(400,847)
Consultancy and professional fees		(989,052)	(576,377)
Occupancy expenses		(102,538)	(126,339)
Travel expenses		(3,401)	(66,296)
Net foreign exchange loss		-	(41,981)
Listing related expenses		(134,628)	(368,374)
Other expenses		(783,099)	(652,495)
Finance costs	3	(1,367)	(11,174)
<b>Loss before income tax expense</b>		(5,543,134)	(4,907,827)
Income tax expense	4	-	-
<b>Loss after income tax expense for the year attributable to the owners of Kyckr Limited</b>		(5,543,134)	(4,907,827)
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(88,258)	4,563
Other comprehensive income for the year, net of tax		(88,258)	4,563
<b>Total comprehensive income for the year attributable to the owners of Kyckr Limited</b>		<u>(5,631,392)</u>	<u>(4,903,264)</u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	16	(1.62)	(2.21)
Diluted earnings per share	16	(1.62)	(2.21)

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

	Note	Consolidated 2021 unaudited \$	2020 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	5,340,332	6,658,129
Trade and other receivables	6	686,555	604,714
Other	7	207,025	235,571
Total current assets		<u>6,233,912</u>	<u>7,498,414</u>
<b>Non-current assets</b>			
Property, plant and equipment	8	15,655	21,372
Intangibles	9	9,126,235	9,389,884
Total non-current assets		<u>9,141,890</u>	<u>9,411,256</u>
<b>Total assets</b>		<u>15,375,802</u>	<u>16,909,670</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	10	1,556,238	1,399,918
Contract liabilities		751,546	52,910
Borrowings	11	-	57,265
Total current liabilities		<u>2,307,784</u>	<u>1,510,093</u>
<b>Total liabilities</b>		<u>2,307,784</u>	<u>1,510,093</u>
<b>Net assets</b>		<u>13,068,018</u>	<u>15,399,577</u>
<b>Equity</b>			
Issued capital	12	34,842,118	31,702,245
Reserves	13	964,490	2,457,422
Accumulated losses		(22,738,590)	(18,760,090)
<b>Total equity</b>		<u>13,068,018</u>	<u>15,399,577</u>

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

<b>Consolidated</b>	<b>Issued capital \$</b>	<b>Reserves \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2019	21,798,633	2,477,342	(13,852,263)	10,423,712
Loss after income tax expense for the year	-	-	(4,907,827)	(4,907,827)
Other comprehensive income for the year, net of tax	-	4,563	-	4,563
Total comprehensive income for the year	-	4,563	(4,907,827)	(4,903,264)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 12)	9,903,612	-	-	9,903,612
Share-based payments	-	(24,483)	-	(24,483)
Balance at 30 June 2020	<u>31,702,245</u>	<u>2,457,422</u>	<u>(18,760,090)</u>	<u>15,399,577</u>
<b>Consolidated</b>	<b>Issued capital \$</b>	<b>Reserves \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2020	31,702,245	2,457,422	(18,760,090)	15,399,577
Loss after income tax expense for the year	-	-	(5,543,134)	(5,543,134)
Other comprehensive income for the year, net of tax	-	(88,258)	-	(88,258)
Total comprehensive income for the year	-	(88,258)	(5,543,134)	(5,631,392)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs (note 12)	3,139,873	-	-	3,139,873
Share-based payments	-	159,960	-	159,960
Transfer from share-based payments reserve to accumulated losses	-	(1,564,634)	1,564,634	-
Balance at 30 June 2021	<u>34,842,118</u>	<u>964,490</u>	<u>(22,738,590)</u>	<u>13,068,018</u>

		Consolidated	
	Note	2021 unaudited \$	2020 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		3,615,133	2,347,706
Payments to suppliers and employees (inclusive of GST)		<u>(8,036,737)</u>	<u>(7,023,820)</u>
		(4,421,604)	(4,676,114)
Government grants received	2	46,338	46,338
Interest received		32,416	19,962
Interest and other finance costs paid		<u>(1,367)</u>	<u>(11,174)</u>
Net cash used in operating activities	15	<u>(4,344,217)</u>	<u>(4,620,988)</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment	8	(13,735)	(3,605)
Payments for security deposits		-	(159)
Proceeds from release of security deposits		<u>547</u>	<u>-</u>
Net cash used in investing activities		<u>(13,188)</u>	<u>(3,764)</u>
<b>Cash flows from financing activities</b>			
Proceeds from issue of shares	12	3,305,878	10,596,732
Share issue transaction costs	12	(166,005)	(693,120)
Repayment of lease liabilities		-	(72,308)
Proceeds from borrowings		-	112,317
Repayment of borrowings		<u>(57,265)</u>	<u>(109,400)</u>
Net cash from financing activities		<u>3,082,608</u>	<u>9,834,221</u>
Net increase/(decrease) in cash and cash equivalents		(1,274,797)	5,209,469
Cash and cash equivalents at the beginning of the financial year		6,658,129	1,448,660
Effects of exchange rate changes on cash and cash equivalents		<u>(43,000)</u>	<u>-</u>
Cash and cash equivalents at the end of the financial year	5	<u><u>5,340,332</u></u>	<u><u>6,658,129</u></u>

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



**Note 1. Revenue**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>unaudited</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>
Sales of services	<u>2,718,169</u>	<u>2,399,295</u>

During the financial year ended 30 June 2021, Kyckr moved most of its customers to annual contracts which had payments in advance rather than the actual usage basis that it has used historically. For the year ended 30 June 2021, 34% of revenue relates to the advance contract basis. In 30 June 2020, all revenue was recognised based on services provided at a point in time.

**Note 2. Other income**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>unaudited</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>
Net foreign exchange gain	8,352	-
Net fair value gain on financial liability (refer to note 18)	-	214,500
Government grants (COVID-19)	46,338	46,338
Gain on cancellation of lease	-	54,142
Other income	<u>54,690</u>	<u>314,980</u>

Government grants (COVID-19) represents grants received from the Government comprising of cash boost support payments. During the year the consolidated entity received payments from the Australian Government as part of its 'Boosting Cash Flow for Employers' scheme in response to the Coronavirus ('COVID-19') pandemic. These non-tax amounts have been recognised as government grants and recognised as income once there is reasonable assurance that the consolidated entity will comply with any conditions attached.

**Note 3. Expenses**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>unaudited</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Right-of-use assets	-	120,151
Computer equipment (refer to note 8)	18,940	29,908
Total depreciation	18,940	150,059
<i>Amortisation</i>		
Computer software and development (refer to note 9)	234,676	250,788
Total depreciation and amortisation	253,616	400,847
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	1,367	4,875
Interest and finance charges paid/payable on lease liabilities	-	6,299
Finance costs expensed	1,367	11,174
<i>Net foreign exchange loss</i>		
Net foreign exchange loss	-	41,981
<i>Leases</i>		
Short-term lease payments	102,538	52,743
<i>Share-based payments expense</i>		
Share-based payments expense	159,960	(24,483)
<i>Employee benefits expense</i>		
Employee benefits expense excluding superannuation	3,004,860	3,171,025
Defined contribution superannuation expense	30,153	24,498
Total employee benefits expense	3,035,013	3,195,523

**Note 4. Income tax expense**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>unaudited</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(5,543,134)	(4,907,827)
Tax at the statutory tax rate of 27.5%	(1,524,362)	(1,349,652)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	43,295	(6,605)
Non-assessable income	-	(58,988)
Capital deductions	(46,063)	(63,559)
	(1,527,130)	(1,478,804)
Current year tax losses not recognised	652,112	864,587
Difference in overseas tax rates	875,018	614,217
Income tax expense	-	-

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>unaudited</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Carried forward tax losses benefit	3,734,286	3,358,821
Temporary differences	69,147	65,815
Total deferred tax assets not recognised	3,803,433	3,424,636

The above potential tax benefit, which includes tax losses and temporary differences has not been recognised in the statement of financial position as recovery of this benefit is not probable. There is no expiration date for the tax losses carried forward. The estimated amount of cumulative tax losses at 30 June 2021 was \$22,071,657 (2020: \$18,717,842). Utilisation of these tax losses is dependent on the company satisfying certain tests at the time the losses are recouped.

**Note 5. Current assets - cash and cash equivalents**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>unaudited</b>	<b>\$</b>
	<b>\$</b>	<b>\$</b>
Cash at bank	5,340,332	6,658,129

**Note 6. Current assets - trade and other receivables**

	<b>Consolidated 2021 unaudited \$</b>	<b>2020 \$</b>
Trade receivables	601,535	521,721
Other receivables	61,222	39,084
GST receivable	23,798	43,909
	<u>686,555</u>	<u>604,714</u>

**Note 7. Current assets - other**

	<b>Consolidated 2021 unaudited \$</b>	<b>2020 \$</b>
Prepayments	191,208	219,207
Security deposits	15,817	16,364
	<u>207,025</u>	<u>235,571</u>

**Note 8. Non-current assets - property, plant and equipment**

	<b>Consolidated 2021 unaudited \$</b>	<b>2020 \$</b>
Computer equipment - at cost	120,428	98,079
Less: Accumulated depreciation	<u>(104,773)</u>	<u>(76,707)</u>
	<u>15,655</u>	<u>21,372</u>

*Reconciliations*

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

<b>Consolidated</b>	Computer equipment \$
Balance at 1 July 2019	49,035
Additions	3,605
Disposals	(1,970)
Exchange differences	610
Depreciation expense	<u>(29,908)</u>
Balance at 30 June 2020	21,372
Additions	13,735
Exchange differences	(512)
Depreciation expense	<u>(18,940)</u>
Balance at 30 June 2021	<u>15,655</u>

**Note 9. Non-current assets - intangibles**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>unaudited</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Goodwill - at cost	12,250,079	12,250,079
Less: Impairment	<u>(3,801,663)</u>	<u>(3,801,663)</u>
	8,448,416	8,448,416
Computer software and development - at cost	1,283,873	1,312,846
Less: Accumulated amortisation	<u>(606,054)</u>	<u>(371,378)</u>
	677,819	941,468
	<u>9,126,235</u>	<u>9,389,884</u>

*Reconciliations*

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

<b>Consolidated</b>	Goodwill \$	Computer software and development \$	Total \$
Balance at 1 July 2019	8,448,416	1,178,956	9,627,372
Exchange differences	-	13,300	13,300
Amortisation expense	-	<u>(250,788)</u>	<u>(250,788)</u>
Balance at 30 June 2020	8,448,416	941,468	9,389,884
Exchange differences	-	(28,973)	(28,973)
Amortisation expense	-	<u>(234,676)</u>	<u>(234,676)</u>
Balance at 30 June 2021	<u>8,448,416</u>	<u>677,819</u>	<u>9,126,235</u>

**Note 10. Current liabilities - trade and other payables**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>unaudited</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Trade payables	780,995	815,993
Accrued expenses	567,441	453,682
Other payables	<u>207,802</u>	<u>130,243</u>
	1,556,238	1,399,918

**Note 11. Current liabilities - borrowings**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>unaudited</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Interest bearing liability - insurance premium funding	-	<u>57,265</u>

## Note 12. Equity - issued capital

	2021 unaudited Shares	Consolidated 2020 Shares	2021 unaudited \$	2020 \$
Ordinary shares - fully paid	343,849,862	302,526,389	34,842,118	31,702,245

### Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2019	150,964,890		21,798,633
Shares issued	7 August 2019	32,350,159	\$0.066	2,135,110
Shares issued	19 September 2019	46,000,000	\$0.066	3,036,000
Shares issued on the exercise of performance rights	13 March 2020	5,391,063	\$0.000	-
Shares issued	1 June 2020	58,676,527	\$0.080	4,694,122
Shares issued	26 June 2020	9,143,750	\$0.080	731,500
Less: share issue costs (net of taxation)		-	\$0.000	(693,120)
Balance	30 June 2020	302,526,389		31,702,245
Issue of shares	9 July 2020	41,323,473	\$0.080	3,305,878
less share issue costs (net of taxation)		-	\$0.000	(166,005)
Balance	30 June 2021	<u>343,849,862</u>		<u>34,842,118</u>

## Note 13. Equity - reserves

	Consolidated 2021 unaudited \$	2020 \$
Foreign currency reserve	(76,161)	12,097
Share-based payments reserve	1,040,651	2,445,325
	<u>964,490</u>	<u>2,457,422</u>

### Foreign currency reserve

The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

### Share-based payments reserve

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

## Note 14. Equity - dividends

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

**Note 15. Reconciliation of loss after income tax to net cash used in operating activities**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>unaudited</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax expense for the year	(5,543,134)	(4,907,827)
Adjustments for:		
Depreciation and amortisation	253,616	400,847
Net loss on disposal of property, plant and equipment	-	1,970
Share-based payments	159,960	(24,483)
Foreign exchange differences	(15,773)	(3,048)
Fair value gain on contingent consideration	-	(214,500)
Cancellation of lease	-	(54,142)
Change in operating assets and liabilities:		
Increase in trade and other receivables	(81,841)	(186,428)
Decrease/(increase) in prepayments	27,999	(60,478)
Increase in trade and other payables	156,320	560,704
Increase/(decrease) in contract liabilities	698,636	(105,090)
Decrease in employee benefits	-	(28,513)
Net cash used in operating activities	<u>(4,344,217)</u>	<u>(4,620,988)</u>

**Note 16. Earnings per share**

	<b>Consolidated</b>	
	<b>2021</b>	<b>2020</b>
	<b>unaudited</b>	<b>2020</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax attributable to the owners of Kyckr Limited	<u>(5,543,134)</u>	<u>(4,907,827)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>342,944,142</u>	<u>222,544,764</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>342,944,142</u>	<u>222,544,764</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(1.62)	(2.21)
Diluted earnings per share	(1.62)	(2.21)

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

**Note 17. Events after the reporting period**

On 30 August 2021, pursuant to a private placement to professional and sophisticated investors, the company issued 85,962,465 ordinary shares at 4 cents each raising \$3.4 million before costs (Tranche 1). The company has obtained firm commitments from professional and sophisticated investors for the issue of 64,037,535 additional ordinary shares at \$0.04 per share that will raise a further \$2.6 million (Tranche 2). This issue is subject to shareholder approval at a meeting to be held in late September 2021.

**Note 17. Events after the reporting period (continued)**

The consequences of the Coronavirus (COVID-19) pandemic are continuing to be felt around the world, and its impact on the consolidated entity, if any, has been reflected in its published results to date. Whilst it would appear that control measures and related government policies, including the roll out of the vaccine, have started to mitigate the risks caused by COVID-19, it is not possible at this time to state that the pandemic will not subsequently impact the consolidated entity's operations going forward. The consolidated entity now has experience in the swift implementation of business continuation processes should future lockdowns of the population occur, and these processes continue to evolve to minimise any operational disruption. Management continues to monitor the situation both locally and internationally.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

For personal use