

**Rewardle Holdings Limited**  
**Appendix 4E**  
**Preliminary final report**

**1. Company details**

Name of entity: Rewardle Holdings Limited  
ABN: 37 168 751 746  
Reporting period: For the year ended 30 June 2021  
Previous period: For the year ended 30 June 2020

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**2. Results for announcement to the market**

			\$
Revenues from ordinary activities	down	19.4% to	485,272
Loss from ordinary activities after tax attributable to the owners of Rewardle Holdings Limited	down	25.5% to	(564,526)
Loss for the year attributable to the owners of Rewardle Holdings Limited	down	25.5% to	(564,526)

*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 \$564,526 (30 June 2020: \$757,306).

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**3. Net tangible assets**

	<b>Reporting period Cents</b>	<b>Previous period Cents</b>
Net tangible assets per ordinary security	<u>(0.42)</u>	<u>(0.32)</u>

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**4. Control gained over entities**

Not applicable.

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**5. Loss of control over entities**

Not applicable.

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**6. Dividends**

*Current period*

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

*Previous period*

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

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**Rewardle Holdings Limited**  
**Appendix 4E**  
**Preliminary final report**

**7. Dividend reinvestment plans**

Not applicable.

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**8. Details of associates and joint venture entities**

Not applicable.

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**9. Foreign entities**

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

Not applicable.

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**10. Audit qualification or review**

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

The financial statements have been audited and an unmodified opinion has been issued, with the inclusion of an emphasis of matter relating to a material uncertainty on going concern.

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**11. Attachments**

*Details of attachments (if any):*

The Annual Report of Rewardle Holdings Limited for the year ended 30 June 2021 is attached.

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**12. Signed**



Signed \_\_\_\_\_

Date: 31 August 2021

Ruwan Weerasooriya  
Executive Chairman



## **Annual Report - 30 June 2021**

**Rewardle Holdings Limited**

**Contents**

**30 June 2021**

Corporate directory	2
Directors' report	3
Auditor's independence declaration	11
Statement of profit or loss and other comprehensive income	12
Statement of financial position	13
Statement of changes in equity	14
Statement of cash flows	15
Notes to the financial statements	16
Directors' declaration	35
Independent auditor's report to the members of Rewardle Holdings Limited	36
Corporate Governance	39
Additional ASX information	40

**Rewardle Holdings Limited**  
**Corporate directory**  
**30 June 2021**

Directors	Ruwan Weerasooriya – Executive Chairman David Niall – Non-Executive Director Rodney House— Non-Executive Director
Company secretary	Nicholas Day
Registered office	1 Alfred Place, South Melbourne VIC 3205 Telephone : 1300 407 891 Email: <a href="mailto:corporate@rewardle.com">corporate@rewardle.com</a> Website: <a href="http://www.rewardleholdings.com">www.rewardleholdings.com</a>
Principal place of business	1 Alfred Place, South Melbourne VIC 3205
Share register	Automic Registry Services Suite 1A, Level 1, 7 Ventnor Avenue West Perth WA 6005 Telephone:+61 8 9324 2099 Facsimile:+61 8 9321 2337
Auditor	Moore Australia Level 18, 530 Collins Street, Melbourne VIC 3000
Solicitors	PwC   Legal Brookfield Place, 125 St Georges Terrace Perth WA 6000
Bankers	Westpac Banking Corporation Limited
Stock exchange listing	Rewardle Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: RXH)

**Rewardle Holdings Limited**  
**Directors' report**  
**30 June 2021**

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'Group') consisting of Rewardle Holdings Limited (referred to hereafter as the 'Company' or 'Parent Entity') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

**Dividends**

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

**Review of operations**

The loss for the consolidated entity after providing for income tax amounted to \$564,526 (30 June 2020: \$757,306).

During the year, the Company implemented a number of cost reduction initiatives that aligned operating costs with revenue generation. While the Company experienced a decline in the revenue of 19% compared to the previous year, expenses were reduced by 4%. The combination of operating results, FY20 R & D rebate of \$ 573,517 and COVID-19 incentives of 330,400 has resulted in a 25% reduction in the net losses compared to the previous year.

FY21 was a key inflection point for the Company as it managed the impacts of the COVID-19 pandemic and implemented its strategy to “Breakeven and Grow” as outlined in the “COVID-19 Business Review and Update” released on 31 July 2020 and “March 2021 Investor Presentation” released on 24 March 2021.

As the Company's business is based on the development, operation and commercialisation of a proprietary Business to Business to Consumer (B2B2C) software platform, the Company has developed the requisite operational capabilities and expertise in areas such as:

- Strategy and project management
- Software development
- Big data processing and management
- Design, marketing and advertising
- Sales and business development
- Account management and support
- Business administration

To support the use and commercialisation of its software platform, the Company's operations have historically included the provision of services (Professional Services) that draw on the operational capabilities as outlined above. Fees for the Professional Services are typically factored into software licensing fees or charged as additional Professional Services based on time and materials.

COVID-19 restrictions have significantly impacted local businesses, which have typically been the Company's primary target customer, resulting in a substantial decline in the Company's traditional market and ongoing uncertainty with respect to the timing of conditions for local businesses recovering.

To establish financial stability and provide the Company's management with greater control during this uncertain period, the Company has adopted a strategy that places greater focus on leveraging the Company's IP, resources and experience to develop new markets and opportunities.

A key focus of the strategy is to ensure the Company's team, intellectual property and operating capability are preserved so it can take advantage of the acceleration in digital adoption by local businesses and their customers due to the COVID-19 pandemic as business conditions improve.

The Company's has developed a unique, multi-dimensional proposition for partners and clients that generates professional services revenue by leveraging the Company's experience, capabilities and IP across its business operations, user network and technology platform. This has been termed “Growth Services” and is outlined in the Strategy Update released on 14 May 2021.

While Growth Services engagements provide a valuable short term contribution to the Company's monthly revenue targets, the Company is prioritising engagements with potential to create long term value and benefits for the Company in areas such as ongoing transactions, software licensing, equity participation, enhanced network effects and user engagement.

**Rewardle Holdings Limited**  
**Directors' report**  
**30 June 2021**

Under the Company's "Breakeven and Grow" strategy, Growth Services revenue, recurring merchant service fees and R&D rebate funds combine with an efficient, low operating cost structure to ensure that the Company can operate and grow without requiring additional funding.

The successful execution of the "Breakeven and Grow" strategy provides the Company with financial stability, control and time to develop growth opportunities that leverage its capabilities, proprietary technology platform and substantial network of merchants and members to generate highly profitable additional revenue.

As a technology platform based business with largely fixed costs, the Company has the potential to generate highly profitable additional revenue by leveraging its capabilities and substantial network of local businesses and members that has already been amassed.

The COVID-19 pandemic has created unprecedented uncertainty in the economic environment that the Company operates within. Actual economic events and conditions in future may be materially different from those realised in the 2021 financial year and projected for the 2022 financial year. In the event the COVID-19 pandemic impacts are more severe or prolonged than anticipated, this may have further effects on the financial position of the Group. As at the date of the Financial Statements, an estimate of the future effects of the COVID-19 pandemic on the Groups financial performance and/or financial position cannot be made, as the impact will depend on the magnitude and duration of the economic downturn with the full range of monetary impacts unknown.

In light of the challenges and uncertainty posed by the COVID-19 pandemic the Board and Management continue to monitor the situation and review the Company's strategy as outlined in the Investor Presentation released on 24 March 2021.

**Significant changes in the state of affairs**

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

**Matters subsequent to the end of the financial year**

Subsequent to year end, the Company entered into a binding Terms Sheet to provide Growth Services to Cardiac Rhythm Diagnostics Pty Ltd (CRD), a fast-growing MedTech business that is developing a disruptive, technology enabled cardiac diagnostics service for local GPs.

Under the Agreement, the Company will license aspects of its platform software and provide professional services to assist in accelerating the growth and development of CRD's business.

The parties have established that software licensing fees, plus professional services fees payable to Rewardle are expected to average \$30,000/month, with a minimum retainer of \$20,000/month. The full details are outlined in the "MedTech Growth Services Agreement" released on 2<sup>nd</sup> August 2021.

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.

**Likely developments and expected results of operations**

Information on likely developments in the operations of the consolidated entity and the expected results of operations have not been included in this report because the Directors believe it would be likely to result in unreasonable prejudice to the consolidated entity.

**Environmental regulation**

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

**Rewardle Holdings Limited**  
**Directors' report**  
**30 June 2021**

**Information on directors**

Name: Ruwan Weerasooriya  
Title: Executive Chairman  
Experience and expertise: Ruwan Weerasooriya is the founder and Managing Director of Rewardle. Over 20 years he has consistently stayed at the forefront of the disruption caused by the advent and proliferation of the internet. He has established, built and operated a range of technology and media related businesses with multiple successful outcomes including trade sales to ASX listed industry leaders. In 2013 he was named in the Top 50 Australian Startup Influencers by Startupdaily.com.au. He established Rewardle in 2012 to provide Local SME Merchants with the digital customer engagement tools and business intelligence typically only available to large retail chains by unlocking the power of mobile computing, cloud based software and big data analysis.

Other current directorships: Nil  
Former directorships (last 3 years): During the past three years Mr Weerasooriya has held no other listed company directorships  
Interests in shares: 397,031,678  
Interests in options: Nil

Name: David Niall  
Title: Non-executive Director  
Experience and expertise: David Niall has a BSc (Hons) and holds a Master of Business Administration from Harvard Business School. Formerly an executive at Telstra, he has a deep knowledge of the mobiles industry with extensive experience in developing and launching innovative products. He has extensive experience driving implementation of complex strategic programs across telecommunications, technology and management consulting industries

Other current directorships: Nil  
Former directorships (last 3 years): Buymyplace Ltd (ASX:BMP)  
Interests in shares: 10,932,513

Name: Rodney House  
Title: Non-executive Director  
Experience and expertise: Rodney is a proven commercial leader with over 20 years of experience in media and sales. Most recently he held the role of Commercial Director at Australia Community Media (ACM), a division of Fairfax Media. In this role, Rodney's responsibilities included direct and agency sales teams along with call centre partnerships for print and digital media. He also headed up Fairfax Marketing Services – delivering a full suite of digital marketing services to regional clients. This comprised of approximately 650 employees, operating from 140 locations across rural and regional Australia. During his time with ACM Rodney led a significant sales transformation program and was instrumental in the sales teams' skill and digital capability development.

Other current directorships: Nil  
Former directorships (last 3 years): Nil  
Interests in shares: Nil

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

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

**Company secretary**  
**Nicholas Day**

Mr Day was appointed as Company Secretary on 14 February 2020. Mr Day has over 20 years' experience as a company director, CFO and company secretary for a broad range of listed and private technology companies and mining and exploration companies. Previously he was CFO and Company Secretary of Battery Minerals, Minbos Resources Limited, RTG Mining, Finance Director at Coventry Resources and Company Secretary to Paringa Resources Limited and Ebooks Corporation.



**Rewardle Holdings Limited**  
**Directors' report**  
**30 June 2021**

**Meetings of directors**

The number of meetings of the Company's Board of Directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Attended	Held
Ruwan Weerasooriya	10	10
David Niall	10	10
Rodney House	10	10

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

**Remuneration report (audited)**

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

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

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

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

***Principles used to determine the nature and amount of remuneration***

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

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

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

The Board has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

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

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

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

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

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

**Rewardle Holdings Limited**  
**Directors' report**  
**30 June 2021**

*Non-executive directors remuneration*

Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Board. The Board may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market.

ASX listing rules require the aggregate non-executive directors' remuneration be determined periodically by a general meeting. The most recent determination was at the Annual General Meeting held on 27 November 2019, where the shareholders approved a maximum annual aggregate remuneration of \$500,000.

*Executive remuneration*

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

The executive remuneration and reward framework has four components:

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

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

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

The short-term incentives ('STI') are payable to Executives based upon the attainment of agreed corporate and individual milestones and are reviewed and approved by the Board of Directors. During the year, no STI were paid to the Executives.

The objective of long term incentives is to reward Directors/Executives in a manner which aligns this element of remuneration with the creation of shareholder wealth. The incentive portion is payable based upon attainment of objectives related to the Director's/Executive's job responsibilities. The objectives vary, but all are targeted to relate directly to the Company's business and financial performance and thus to shareholder value.

Long term incentives (LTIs) granted to Directors/ Executives are delivered in the form of options.

LTI grants to Executives are delivered in the form of employee share options. These options are issued at an exercise price determined by the Board at the time of issue. The employee share options on issue during the year vest over a selected period not based on service conditions.

The objective of the granting of options is to reward Executives in a manner that aligns the element of remuneration with the creation of shareholder wealth. As such LTIs are made to Executives who are able to influence the generation of shareholder wealth and thus have an impact on the Company's performance.

The level of LTI granted is, in turn, dependent on the Company's recent share price performance, the seniority of the Executive, and the responsibilities the Executive assumes in the Company.

Typically, the grant of LTIs occurs at the commencement of employment or in the event that the individual receives a promotion and, as such, is not subsequently affected by the individual's performance over time.

*Use of remuneration consultants*

The Board does not seek the advice of Remuneration Consultants in fulfilling its roles and responsibilities associated with the Remuneration Committee and determining compensation for Directors, the Managing Director and any Key Management Personnel.

*Voting and comments made at the Company's 20 November 2020 Annual General Meeting ('AGM')*

At the 20 November 2020 AGM, 100% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2020. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

**Rewardle Holdings Limited**  
**Directors' report**  
**30 June 2021**

**Details of remuneration**

*Amounts of remuneration*

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

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

- Ruwan Weerasooriya – Executive Chairman
- David Niall – Non-executive Director
- Rodney House - Non Executive Director

	Short-term benefits	Post- employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Super- annuation	Long service leave	Equity- settled	Total
<b>30 June 2021</b>	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>					
David Niall	36,530	3,470	-	-	40,000
Rodney House	36,530	3,470	-	-	40,000
<i>Executive Directors:</i>					
Ruwan Weerasooriya	150,000	14,250	7,913	-	172,163
	<u>223,060</u>	<u>21,190</u>	<u>7,913</u>	<u>-</u>	<u>252,163</u>

As at 30 June 2021, a balance of \$649,212 was payable to the Directors inclusive of superannuation.

	Short-term benefits	Post- employment benefits	Long-term benefits	Share-based payments	
	Cash salary and fees	Super- annuation	Long service leave	Equity- settled	Total
<b>30 June 2020</b>	\$	\$	\$	\$	\$
<i>Non-Executive Directors:</i>					
David Niall	36,530	3,470	-	-	40,000
Rodney House	36,530	3,470	-	-	40,000
<i>Executive Directors:</i>					
Ruwan Weerasooriya	150,000	14,250	7,913	-	172,163
	<u>223,060</u>	<u>21,190</u>	<u>7,913</u>	<u>-</u>	<u>252,163</u>

As at 30 June 2020, a balance of \$431,776 was payable to the Directors inclusive of superannuation.

**Service agreements**

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

Name:	Mr Ruwan Weerasooriya
Title:	Executive Chairman
Agreement commenced:	20 July 2014
Term of agreement:	The Managing Director's remuneration package comprises an annual salary of \$150,000 plus statutory superannuation. The service agreement has no fixed term and Mr Weerasooriya or the Company can terminate the agreement upon provision of six months written notice.

**Rewardle Holdings Limited**  
**Directors' report**  
**30 June 2021**

Name: Mr David Niall  
Title: Non-executive Director  
Agreement commenced: 30 May 2017 and revised on 1 October 2018  
Term of agreement: David Niall entered into a revised agreement from 1 October 2018 as a Non- executive Director at a package of \$40,000 per annum inclusive of superannuation. Prior to this, David Niall had an agreement that consists of a package comprising \$120,000 per annum plus superannuation, a notice period of six months and that he devote 70% of his working time to the Company.

Name: Mr Rodney House  
Agreement commenced: 2 January 2019  
Term of agreement: Rodney has entered into an agreement that consists of a package comprising \$40,000 per annum inclusive of superannuation.

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

***Share-based compensation***

*Issue of shares*

There were no shares issued to the Directors and other key management personnel as part of compensation during the year ended 30 June 2021.

*Options*

There were no options over ordinary shares issued to the Directors and other key management personnel as part of compensation that were outstanding as at 30 June 2021.

There were no options over ordinary shares granted to or vested by the Directors and other key management personnel as part of compensation during the year ended 30 June 2021. No shares were issued to Directors on exercise of compensation options during the year.

***Additional disclosures relating to key management personnel***

*Shareholding*

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

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
R Weerasooriya	397,031,678	-	-	-	397,031,678
D Niall	10,932,513	-	-	-	10,932,513
	<u>407,964,191</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>407,964,191</u>

*Option holding*

There were no options over ordinary shares in the Company held during the financial year by the Director and other members of key management personnel of the consolidated entity, including their personally related parties.

***This concludes the remuneration report, which has been audited.***

***Loans from directors and executives***

The Executive Chairman, Ruwan Weerasooriya has provided an unsecured, non-recourse, fee and interest free facility to support the working capital requirements of the Group. On 31 July 2020, the facility was extended to \$1,000,000 and was again increased to \$1,250,000 on 23 April 2021. The Company has drawn a total of \$630,705 from this facility during the year and the total loan balance payable as at 30 June 2021 is \$1,191,667.

**Rewardle Holdings Limited**  
**Directors' report**  
**30 June 2021**

**Shares under option**

There were no unissued ordinary shares of Rewardle Holdings Limited under option outstanding at the date of this report.

**Shares issued on the exercise of options**

There were no ordinary shares of Rewardle Holdings Limited issued on the exercise of options during the year ended 30 June 2021 and up to the date of this report.

**Indemnity and insurance of officers**

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

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

**Indemnity and insurance of auditor**

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

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

**Proceedings on behalf of the Company**

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

**Non-audit services**

There were no non-audit services provided during the financial year by the auditor.

**Officers of the Company who are former partners of Moore Australia Audit (Vic)**

There are no officers of the Company who are former partners of Moore Australia Audit (Vic).

**Auditor's independence declaration**

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

**Auditor**

Moore Australia Audit (Vic) continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the Directors

A handwritten signature in blue ink, consisting of a stylized 'M' followed by a long horizontal flourish.

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31 August 2021

**AUDITOR'S INDEPENDENCE DECLARATION  
UNDER S 307C OF THE CORPORATIONS ACT 2001  
TO THE DIRECTORS OF REWARDLE HOLDINGS LIMITED AND CONTROLLED ENTITY**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2021, there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and
- ii. no contraventions of any applicable code of professional conduct in relation to the audit.

*Moore Australia*

**MOORE AUSTRALIA AUDIT (VIC)  
ABN 16 847 721 257**



**ANDREW JOHNSON  
Partner  
Audit and Assurance**

Melbourne, Victoria

31 August 2021

**Rewardle Holdings Limited**  
**Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2021**

	Note	Consolidated 30 June 2021 \$	30 June 2020 \$
<b>Rendering of services</b>	5	485,272	601,850
Other income	6	903,917	913,800
<b>Expenses</b>			
Operating expenses associated with Rewardle network	7	(1,039,630)	(1,290,182)
Employee benefits expense		(913,520)	(981,790)
Depreciation and amortisation expense	11	<u>(565)</u>	<u>(984)</u>
<b>Loss before income tax expense</b>		(564,526)	(757,306)
Income tax expense	8	<u>-</u>	<u>-</u>
<b>Loss after income tax expense for the year attributable to the owners of Rewardle Holdings Limited</b>	17	(564,526)	(757,306)
Other comprehensive income for the year, net of tax		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year attributable to the owners of Rewardle Holdings Limited</b>		<u><u>(564,526)</u></u>	<u><u>(757,306)</u></u>
		<b>Cents</b>	<b>Cents</b>
Basic earnings per share	28	(0.11)	(0.14)
Diluted earnings per share	28	(0.11)	(0.14)

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

**Rewardle Holdings Limited**  
**Statement of financial position**  
**As at 30 June 2021**

	Note	Consolidated 30 June 2021 \$	30 June 2020 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	9	57,777	37,616
Trade and other receivables	10	54,300	77,315
Total current assets		<u>112,077</u>	<u>114,931</u>
<b>Non-current assets</b>			
Property, plant and equipment	11	1,583	2,148
Total non-current assets		<u>1,583</u>	<u>2,148</u>
<b>Total assets</b>		<u>113,660</u>	<u>117,079</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	12	913,960	857,288
Borrowings	13	1,191,667	685,962
Provisions	14	145,983	122,140
Unearned Income	15	96,715	121,828
Total current liabilities		<u>2,348,325</u>	<u>1,787,218</u>
<b>Total liabilities</b>		<u>2,348,325</u>	<u>1,787,218</u>
<b>Net liabilities</b>		<u>(2,234,665)</u>	<u>(1,670,139)</u>
<b>Equity</b>			
Issued capital	16	18,190,908	18,190,908
Accumulated losses	17	(20,425,573)	(19,861,047)
<b>Total deficiency in equity</b>		<u>(2,234,665)</u>	<u>(1,670,139)</u>

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



**Rewardle Holdings Limited**  
**Statement of changes in equity**  
**For the year ended 30 June 2021**

<b>Consolidated</b>	<b>Issued capital \$</b>	<b>Retained losses \$</b>	<b>Total deficiency in equity \$</b>
Balance at 1 July 2019	18,190,908	(19,103,741)	(912,833)
Loss after income tax expense for the year	-	(757,306)	(757,306)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(757,306)	(757,306)
Balance at 30 June 2020	<u>18,190,908</u>	<u>(19,861,047)</u>	<u>(1,670,139)</u>

<b>Consolidated</b>	<b>Issued capital \$</b>	<b>Retained losses \$</b>	<b>Total deficiency in equity \$</b>
Balance at 1 July 2020	18,190,908	(19,861,047)	(1,670,139)
Loss after income tax expense for the year	-	(564,526)	(564,526)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(564,526)	(564,526)
Balance at 30 June 2021	<u>18,190,908</u>	<u>(20,425,573)</u>	<u>(2,234,665)</u>

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

**Rewardle Holdings Limited**  
**Statement of cash flows**  
**For the year ended 30 June 2021**

	<b>Note</b>	<b>Consolidated</b>	<b>30 June 2020</b>
		<b>30 June 2021</b>	<b>30 June 2020</b>
		<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>			
Receipts from customers		407,240	516,046
Payments to suppliers and employees		(1,775,245)	(2,006,271)
Interest received		-	4,073
R&D and other Government incentives		903,917	909,727
Interest and other finance costs paid		<u>(21,456)</u>	<u>(22,406)</u>
Net cash used in operating activities	27	<u>(485,544)</u>	<u>(598,831)</u>
<b>Cash flows from investing activities</b>			
Proceeds from release of security deposits		<u>-</u>	<u>56,021</u>
Net cash from investing activities		<u>-</u>	<u>56,021</u>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		630,705	1,406,648
Repayment of borrowings		<u>(125,000)</u>	<u>(871,149)</u>
Net cash from financing activities		<u>505,705</u>	<u>535,499</u>
Net increase/(decrease) in cash and cash equivalents		20,161	(7,311)
Cash and cash equivalents at the beginning of the financial year		<u>37,616</u>	<u>44,927</u>
Cash and cash equivalents at the end of the financial year	9	<u><u>57,777</u></u>	<u><u>37,616</u></u>

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

**Rewardle Holdings Limited**  
**Notes to the financial statements**  
**30 June 2021**

**Note 1. General information**

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

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

**Registered office**

1 Alfred Place, South Melbourne VIC 3205  
Telephone : 1300 407 891  
Email: corporate@rewardle.com  
Website: www.rewardleholdings.com

**Principal place of business**

1 Alfred Place, South Melbourne VIC 3205

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 31 August 2021. The Directors have the power to amend and reissue the financial statements.

**Note 2. Significant accounting policies**

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

**New or amended Accounting Standards and Interpretations adopted**

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

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

**Basis of preparation**

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

*Historical cost convention*

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

*Critical accounting estimates*

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

**Going Concern**

For the year ended 30 June 2021 the consolidated entity had an operating net loss of \$564,526 (2020: \$757,306), net cash outflows from operating activities of \$485,544 (2020: \$598,831) and net current liabilities of \$2,236,248 (2020: \$1,672,287). However, the current liabilities as at 30 June 2021 contain a number of liability accounts, including loan from Directors of \$1,191,667 and salaries and Directors fee payable to the current Directors of \$649,212 and unearned Income of \$96,715 which represent the results of accounting adjustments and do not represent amounts currently payable, or expected to become payable, to third parties. If these liability accounts are removed from the calculation of working capital at 30 June 2021, the adjusted working capital deficit is reduced to approximately \$298,654 (2020: \$557,721)

**Note 2. Significant accounting policies (continued)**

The ability to continue as a going concern is dependent upon a number of factors, one being the continuation and availability of funds. The financial statements have been prepared on the basis that the consolidated entity is a going concern, which contemplates the continuity of its business, realisation of assets and the settlement of liabilities in the normal course of business.

The impact of the COVID-19 pandemic has resulted in the Group experiencing challenging and uncertain times. Actual economic events and conditions in future may be materially different from those estimated by the Group at the reporting date. In the event the COVID-19 pandemic impacts are more severe or prolonged than anticipated, this may have further adverse impacts to the Group. At the date of the annual report an estimate of the future effects of the COVID-19 pandemic on the Group cannot be made, as the impact will depend on the magnitude and duration of the economic downturn, with the full range of possible effects unknown. Whilst the situation is evolving, the Directors remain confident that the Group will be able to continue as a going concern which assumes it will be able to continue trading and realise assets and discharge liabilities in the ordinary course of business for at least 12 months from the date of the consolidated financial statements.

In determining that the going concern assumption is appropriate, the Directors have had regard to:

- The Group cashflow forecast shows a positive cash position for the period extending beyond twelve months for this report;
- Forecast revenue from historical Merchants Services products (SaaS) continuing in keeping with historical performance and growing in the future in keeping with management assumptions;
- Forecast revenue from new Merchant Services products (SaaS) in keeping with management assumptions;
- Forecast revenue from brand partnerships continuing in keeping with historical performance;
- Forecast professional services revenue resulting from strategic partnership agreements for the provision of technology, marketing, operational support and corporate strategy services to Pepper Leaf and Beanhunter in keeping with management assumptions;
- Forecast Growth Services revenue in keeping with management assumptions;
- Ongoing growth of membership and development of opportunities to generate new revenue streams from members;
- Ongoing management to maintain and reduce the underlying cost base (primarily through employee costs, improved technology efficiencies and other operating cost reductions);
- Forecast receipt of FY21 research and development tax incentive rebates (R&D) continuing in keeping with historical levels of cost apportionment and management assumptions;
- Access to R&D financing on quarterly draw down on similar terms provided to the Company previously;
- Access to loans which Directors may elect to provide on terms yet to be negotiated and agreed;
- Potential to raise capital as equity.

The consolidated entity's ability to continue to operate as a going concern is dependent upon the items listed above. Should these events not occur as anticipated, the consolidated entity may be unable to continue as a going concern and may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

**Parent entity information**

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in Note 24.

**Principles of consolidation**

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Rewardle Holdings Limited ('Company' or 'Parent Entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. Rewardle Holdings Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

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

**Note 2. Significant accounting policies (continued)**

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

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

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

**Operating segments**

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

**Revenue recognition**

The consolidated entity recognises revenue as follows:

*Revenue from contracts with customers*

Revenue is recognised either at a point in time or over time when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers. All revenue is stated net of the amount of Goods and Services Tax (GST).

*Rendering of services*

Revenue from providing services is recognised in the accounting period in which the services are rendered. Revenue is recognised over time based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided. The customer pays the fixed amount based on a payment schedule per the contract. If the services rendered by the Group exceed the payment, a contract asset is recognised. If the payments exceed the services rendered, a contract liability (Unearned income) is recognised. Customers are invoiced on a monthly basis and consideration is payable when invoiced. Service contracts do not contain provisions for sales returns, rebates, discounts or any ongoing service and the total transaction price does not contain any variable consideration in relation to such items.

*Set up fees*

Fees charged for set up services are recognised as revenue at a point in time on completion of set up.

**Other income**

*Interest*

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

*Other revenue*

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

## **Note 2. Significant accounting policies (continued)**

### **R&D Tax incentive rebate**

R&D tax offset income is income recognised when there is reasonable assurance that it will be received. It is recognised in the statement of comprehensive income in the same period that the related costs are recognised as expenses and relates to refundable amounts on approved expenses.

### **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.

### **Financial Instruments**

A financial asset is measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI').

An 'expected credit loss' ('ECL') model is used to recognise an allowance. Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are included in the income statement.

### **Income tax**

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

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

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

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

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

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

### **Current and non-current classification**

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

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

**Note 2. Significant accounting policies (continued)**

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

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

**Cash and cash equivalents**

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

**Trade and other receivables**

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

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

**Property, plant and equipment**

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

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

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	3-7 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

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

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

**Impairment of non-financial assets**

Non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

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

**Trade and other payables**

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

**Note 2. Significant accounting policies (continued)**

**Borrowings**

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

**Finance costs**

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

**Employee benefits**

*Short-term employee benefits*

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

*Other long-term employee benefits*

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

*Share-based payments*

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

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

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

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

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.



**Note 2. Significant accounting policies (continued)**

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

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

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

**Issued capital**

Ordinary shares are classified as equity.

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

**Business combinations**

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

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

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

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

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

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

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

**Note 2. Significant accounting policies (continued)**

**Earnings per share**

*Basic earnings per share*

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

*Diluted earnings per share*

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

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

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

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

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

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

**Note 3. Critical accounting judgements, estimates and assumptions**

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

*Coronavirus (COVID-19) pandemic*

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

*Share-based payment transactions*

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

*Allowance for expected credit losses*

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates.

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

*Employee benefits provision*

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

**Note 4. Operating segments**

*Identification of reportable operating segments*

The consolidated entity has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The Board considers that the consolidated entity has only operated in one segment, as a Digital Customer Engagement platform for local SME merchants.

Where applicable, corporate costs, finance costs, and interest revenue are not allocated to segments as they are not considered part of the core operations of the segments and are managed on a Group basis

The consolidated entity is domiciled in Australia. All revenue from external customers is generated from Australia only. Segment revenues are allocated based on the country in which the project is located.

Revenues were not derived from a single external customer.

The information reported to the CODM is on a monthly basis.

**Note 5. Rendering of services**

Disaggregation of revenue

Revenue from contracts with customers is categorised into the reportable segments disclosed below. Revenue is recognised when the performance obligations are delivered over time except for Setup fee which is recognised point in time. Once a contract has been entered into, the Group has a enforceable right to payment for work completed to date.

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	\$	\$
Merchant fee	408,799	564,680
Service income	54,338	-
Set up fee	16,408	13,153
Brand partner fee	5,727	24,017
	<hr/>	<hr/>
Rendering of services	<b>485,272</b>	<b>601,850</b>
	<hr/> <hr/>	<hr/> <hr/>

**Rewardle Holdings Limited**  
**Notes to the financial statements**  
**30 June 2021**

**Note 5. Rendering of services (continued)**

*Disaggregation of revenue*

The disaggregation of revenue from contracts with customers is as follows:

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	\$	\$
<i>Timing of revenue recognition</i>		
Services transferred over time	414,526	588,697
Services transferred at a point in time	70,746	13,153
	<u>485,272</u>	<u>601,850</u>

**Note 6. Other income**

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	\$	\$
R&D tax incentive rebate	573,517	805,727
Interest income	-	4,073
COVID-19 incentives	330,400	104,000
	<u>903,917</u>	<u>913,800</u>

COVID-19 incentive consists of Jobkeeper and Cash-boost receipts of \$237,900 and \$50,000 respectively from ATO and \$42,500 payroll tax incentives due to COVID-19.

**Note 7. Operating expenses associated with Rewardle network**

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	\$	\$
Consulting fees	324,587	292,062
Sales commission and service fees	167,002	255,499
Impairment of trade receivables	126,202	93,299
Merchant and member network costs	95,346	120,512
Auditing fees	41,328	41,170
Company secretarial and accounting fees	36,610	74,160
Rent	4,000	45,765
Legal fees	2,856	13,364
IT consumables	-	15,418
Other operating expenses	241,699	338,933
	<u>1,039,630</u>	<u>1,290,182</u>

**Rewardle Holdings Limited**  
**Notes to the financial statements**  
**30 June 2021**

**Note 8. Income tax expense**

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(564,526)	(757,306)
Tax at the statutory tax rate of 26% (2020: 30%)	(146,777)	(227,192)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	284,402	20,205
R&D tax incentive rebate	(149,114)	(241,718)
	(11,489)	(448,705)
Deferred tax not brought into the accounts	11,489	448,705
Income tax expense	<u>-</u>	<u>-</u>

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	9,565,210	9,521,024
Potential tax benefit at statutory tax rates	2,486,955	2,856,307

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

**Note 9. Current assets - cash and cash equivalents**

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
Cash on hand	100	100
Cash at bank	57,677	37,516
	<u>57,777</u>	<u>37,616</u>

**Note 10. Current assets - trade and other receivables**

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
Trade receivables	239,389	155,954
Less: Allowance for expected credit losses	(218,192)	(98,498)
	21,197	57,456
Other receivables	33,103	19,859
	<u>54,300</u>	<u>77,315</u>

**Rewardle Holdings Limited**  
**Notes to the financial statements**  
**30 June 2021**

**Note 10. Current assets - trade and other receivables (continued)**

*Allowance for expected credit losses*

The ageing of the trade receivables and allowance for expected credit losses provided for above are as follows:

Consolidated	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020	30 June 2021	30 June 2020
	%	%	\$	\$	\$	\$
0 to 3 months overdue	45%	14%	38,618	66,779	17,421	9,323
3 to 6 months overdue	100%	100%	200,771	89,175	200,771	89,175
			<u>239,389</u>	<u>155,954</u>	<u>218,192</u>	<u>98,498</u>

**Note 11. Non-current assets - property, plant and equipment**

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
Plant and equipment - at cost	35,265	35,265
Less: Accumulated depreciation	<u>(33,682)</u>	<u>(33,117)</u>
	<u>1,583</u>	<u>2,148</u>

*Reconciliations*

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

Consolidated	\$	Total
		\$
Balance at 1 July 2019	3,132	3,132
Depreciation expense	<u>(984)</u>	<u>(984)</u>
Balance at 30 June 2020	2,148	2,148
Depreciation expense	<u>(565)</u>	<u>(565)</u>
Balance at 30 June 2021	<u>1,583</u>	<u>1,583</u>

**Note 12. Current liabilities - trade and other payables**

	Consolidated	
	30 June 2021	30 June 2020
	\$	\$
Trade payables	201,302	358,329
Other payables	<u>712,658</u>	<u>498,959</u>
	<u>913,960</u>	<u>857,288</u>

As at 30 June 2021, the other payables balance includes salaries and Directors fee payable and superannuation payable to the current Directors of \$649,212 (2019: \$431,776).

**Rewardle Holdings Limited**  
**Notes to the financial statements**  
**30 June 2021**

**Note 12. Current liabilities - trade and other payables (continued)**

Trade and other payables are non-interest bearing and are normally settled on 30 day terms. The loan from director is unsecured and non-interest bearing. Due to the short term nature of the above financial instruments, their carrying value is assumed to approximate their fair value

Amounts are expected to be settled within twelve months. Refer to note 19 for further information on financial instruments.

**Note 13. Current liabilities - borrowings**

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
Loan from Director	1,191,667	560,962
Borrowings	-	125,000
	<u>1,191,667</u>	<u>685,962</u>

Refer to Note 19 for further information on financial instruments.  
The loan from director is unsecured and non-interest bearing.

**Note 14. Current liabilities - provisions**

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
Employee benefits	<u>145,983</u>	<u>122,140</u>

Employee benefits represent annual leave and long service leave entitlements of employees within the Group and is non-interest bearing. The entire obligation is presented as current, since the Group does not have a right to defer settlement.

**Note 15. Current liabilities - Unearned Income**

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
Unearned income	<u>96,715</u>	<u>121,828</u>

Unearned income represents payment received in advance for services to still be provided within the Group and is non-interest bearing.

**Note 16. Equity - issued capital**

	<b>Consolidated</b>			
	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares - fully paid	<u>526,321,488</u>	<u>526,321,488</u>	<u>18,190,908</u>	<u>18,190,908</u>

**Rewardle Holdings Limited**  
**Notes to the financial statements**  
**30 June 2021**

**Note 16. Equity - issued capital (continued)**

*Ordinary shares*

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

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

*Share buy-back*

There is no current on-market share buy-back.

*Capital risk management*

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

The consolidated entity is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 2020 Annual Report.

**Note 17. Equity - accumulated losses**

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
Accumulated losses at the beginning of the financial year	(19,861,047)	(19,103,741)
Loss after income tax expense for the year	<u>(564,526)</u>	<u>(757,306)</u>
Accumulated losses at the end of the financial year	<u><u>(20,425,573)</u></u>	<u><u>(19,861,047)</u></u>

**Note 18. Equity - dividends**

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



**Note 19. Financial instruments**

***Financial risk management objectives***

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. Derivatives are exclusively used for hedging purposes, i.e. not as trading or other speculative instruments. The consolidated entity uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

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

***Market risk***

***Foreign currency risk***

The consolidated entity is not exposed to any significant foreign currency risk through foreign exchange rate fluctuations as it does not undertake any material transaction denominated in foreign currency.

***Price risk***

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

***Interest rate risk***

The consolidated entity's main interest rate risk arises interest income it can potentially earn on surplus cash deposits. The Company has no interest bearing borrowings from long-term borrowings and hence not exposed to any interest rate risk from related variable rates.

The consolidated entity has cash and cash equivalent totalling \$ 57,777 (2020: \$37,616). An official increase/decrease in interest rates of 0.5% (2020: 0.5%) basis points would have an adverse/favourable effect on profit before tax of \$288 (2018: \$188) per annum.

***Credit risk***

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The consolidated entity obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

***Liquidity risk***

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

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

**Rewardle Holdings Limited**  
**Notes to the financial statements**  
**30 June 2021**

**Note 19. Financial instruments (continued)**

***Fair value of financial instruments***

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

**Note 20. Key management personnel disclosures**

*Directors*

The following persons were directors of Rewardle Holdings Limited during the financial year:

Ruwan Weerasooriya	Executive Chairman
David Niall	Non-executive Director
Rodney House	Non-executive Director

*Compensation*

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

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	\$	\$
Short-term employee benefits	223,060	223,060
Post-employment benefits	21,190	21,190
Long-term benefits	7,913	7,913
	<u>252,163</u>	<u>252,163</u>

**Note 21. Remuneration of auditors**

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

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	\$	\$
<i>Audit services -</i>		
Audit or review of the financial statements	41,328	41,170
	<u>41,328</u>	<u>41,170</u>

**Note 22. Contingent liabilities**

The Group has no material contingent liabilities as at the date of this report (2020: nil).

**Note 23. Related party transactions**

*Parent entity*

Rewardle Holdings Limited is the parent entity.

*Subsidiaries*

Interests in subsidiaries are set out in note 25.

*Key management personnel*

Disclosures relating to key management personnel are set out in note 20 and the remuneration report included in the directors' report.

**Rewardle Holdings Limited**  
**Notes to the financial statements**  
**30 June 2021**

**Note 23. Related party transactions (continued)**

*Transactions with related parties*

There were no transactions with related parties during the current and previous financial year.

*Receivable from and payable to related parties*

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

*Loans to/from related parties*

The following balances are outstanding at the reporting date in relation to loans with related parties:

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	\$	\$
Current borrowings:		
Loan from key management personnel*	1,191,667	560,962

\* The represents an unsecured, interest free and non-recourse facility of the same value provided by the Executive Chairman, Mr Ruwan Weerasooriya.

*Terms and conditions*

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

**Note 24. Parent entity information**

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

*Statement of profit or loss and other comprehensive income*

	<b>Parent</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	\$	\$
Loss after income tax	(411,268)	(396,653)
Total comprehensive income	(411,268)	(396,653)

*Statement of financial position*

	<b>Parent</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	\$	\$
Total current assets	11,356	24,327
Total assets	11,356	24,328
Total current liabilities	758,170	515,603
Total liabilities	758,170	515,603
Equity		
Issued capital	29,366,808	29,366,808
Accumulated losses	(30,113,622)	(29,858,083)
Total deficiency in equity	(746,814)	(491,275)

**Rewardle Holdings Limited**  
**Notes to the financial statements**  
**30 June 2021**

**Note 24. Parent entity information (continued)**

*Contingent liabilities*

The parent entity had no contingent liabilities as at 30 June 2021 and 30 June 2020.

*Capital commitments - Property, plant and equipment*

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2021 and 30 June 2020.

**Note 25. Interests in subsidiaries**

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

Name	Principal place of business / Country of incorporation	Ownership interest	
		30 June 2021 %	30 June 2020 %
Rewardle Pty Ltd	Australia	100.00%	100.00%

**Note 26. Events after the reporting period**

Subsequent to year end, the Company entered into a binding Terms Sheet to provide Growth Services to Cardiac Rhythm Diagnostics Pty Ltd (CRD), a fast-growing MedTech business that is developing a disruptive, technology enabled cardiac diagnostics service for local GPs.

Under the Agreement, the Company will license aspects of its platform software and provide professional services to assist in accelerating the growth and development of CRD's business.

The parties have established that software licensing fees, plus professional services fees payable to Rewardle are expected to average \$30,000/month, with a minimum retainer of \$20,000/month. The full details are outlined in the "MedTech Growth Services Agreement" released on 2<sup>nd</sup> August 2021.

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.

**Note 27. Cash flow information**

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

	Consolidated	
	30 June 2021 \$	30 June 2020 \$
Loss after income tax expense for the year	(564,526)	(757,306)
Adjustments for:		
Depreciation and amortisation	565	984
Impairment of trade receivables	126,202	93,299
Change in operating assets and liabilities:		
Increase in trade and other receivables	(103,184)	(118,540)
Increase in trade and other payables	31,557	180,393
Increase in other provisions	23,842	2,339
Net cash used in operating activities	<u>(485,544)</u>	<u>(598,831)</u>

**Note 28. Earnings per share**

	<b>Consolidated</b>	
	<b>30 June 2021</b>	<b>30 June 2020</b>
	<b>\$</b>	<b>\$</b>
Loss after income tax attributable to the owners of Rewardle Holdings Limited	<u>(564,526)</u>	<u>(757,306)</u>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>526,321,488</u>	<u>526,321,488</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>526,321,488</u>	<u>526,321,488</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(0.11)	(0.14)
Diluted earnings per share	(0.11)	(0.14)

**Note 29. Share-based payments**

**(a) Share Options**

There are no new options granted during the year.

**(b) Shares issued as share-based payments**

**Employee Share Contribution Plan**

The Group has an employee share contribution plan (ESCP) to assist in the attracting, motivating and rewarding employees who are eligible to participate. The key terms of the ESCP are;

- Eligible participants may opt to receive shares in lieu of normal net salary and wages, and receive a 20% value on the nominated amount in consideration for choice;
- Eligible participants are full-time, part-time or casual employees (including an executive director) of the Company or an Associated Body Corporate, a non-executive director of the Company or a Contractor of the Company;
- Shares rank equally in all respect with shares already on issue and vest immediately on issue; and
- Shares are issued at the volume weighted average price of the 30 consecutive days trading for the relevant quarter.

There were no shares issued during the year in lieu of salary and fee payable.

**Rewardle Holdings Limited**  
**Directors' declaration**  
**30 June 2021**

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

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

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

On behalf of the Directors

A handwritten signature in blue ink, consisting of a circular scribble followed by a long horizontal line extending to the right.

---

31 August 2021

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF REWARDLE HOLDINGS LIMITED AND CONTROLLED ENTITY****Report on the Audit of the Financial Report****Opinion**

We have audited the financial report of Rewardle Holdings Ltd and Controlled Entity (the Company), which comprises the consolidated statement of financial position as at 30 June 2021, 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:

- a) the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the Company's financial position as at 30 June 2021 and of its financial performance for the year then ended; and
  - ii. complying with Australian Accounting Standards and the *Corporations Regulations 2001*.
- b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

**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 Company 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 2, Going Concern in the financial report, which indicates that the Company incurred a net loss of \$564,526 during the year ended 30 June 2021 and, as of that date, the Company's total liabilities exceeded its total assets by \$2,234,665. As stated in Note 2 (Going Concern), these events or conditions, along with other matters as set forth in Note 2 (Going Concern), indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

### Key audit matters

Except for the matter described in the Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

### Other Information

The directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2021, 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 Company 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 Company or to cease operations, or has 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 the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located on the Auditing and Assurance Standards Board website at: [https://www.auasb.gov.au/admin/file/content102/c3/ar1\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf). This description forms part of our auditor's report.



## Report on the Remuneration Report

### *Opinion on the Remuneration Report*

We have audited the Remuneration Report included in pages 6 to 9 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Rewardle Holdings Ltd and Controlled Entity, for the year ended 30 June 2021 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.



**MOORE AUSTRALIA AUDIT (VIC)**  
**ABN 16 847 721 257**



**ANDREW JOHNSON**  
**Partner**  
**Audit and Assurance**

Melbourne, Victoria

31 August 2021

**Rewardle Holdings Limited**  
**Corporate Governance**  
**30 June 2021**

Rewardle Holdings Limited and its Board are committed to achieving and demonstrating the highest standards of corporate governance. Rewardle Holdings Limited has reviewed its Corporate Governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2021 Corporate Governance Statement was approved by the Board on 31 August 2021 and is current at this time. A copy of the Company's current Corporate Governance Statement and Plan adopted during the year ended 30 June 2021 can be viewed at <https://www.rewardleholdings.com/corporate-policies/>

**Rewardle Holdings Limited**  
**Additional ASX information**  
**30 June 2021**

The shareholder information set out below was applicable as at 27 August 2021.

Substantial holders

Name	Units	% of Total
RUWAN WEERASOORIYA	397,031,678	75%

Holding Ranges	Holders	Total Units	% Issued Share Capital
1 - 1,000	52	3,317	0.00%
1,001 - 5,000	62	192,033	0.04%
5,001 - 10,000	91	832,981	0.16%
10,001 - 100,000	340	13,047,101	2.48%
100,001 - 9,999,999,999	153	512,246,057	97.33%
<b>Totals</b>	<b>616</b>	<b>526,321,489</b>	<b>100.00%</b>

There are 430 Shareholders with less than a marketable parcel.

**Voting rights**

All ordinary fully paid shares have one voting right per share. See the Company's constitution for further details.

**The Top 20 Holders of Ordinary Shares are:**

Position	Holder Name	Holding	% IC
1	RUWAN WEERASOORIYA	339,725,553	64.55%
2	MARMALADE HOLDINGS PTY LTD <MARMALADE A/C>	24,734,695	4.70%
3	MARMALADE HOLDINGS PTY LTD <MARMALADE A/C>	21,428,572	4.07%
4	MOSCH PTY LTD	14,620,046	2.78%
5	MARMALADE HOLDINGS PTY LTD <MARMALADE A/C>	11,142,858	2.12%
6	MR DAVID NIALL	10,932,513	2.08%
7	VAULT (WA) PTY LTD <VAULT A/C>	9,069,462	1.72%
8	MR TRENT ANTONY GOODRICK	8,000,000	1.52%
9	JASON POTTER	6,414,462	1.22%
10	GOLDFIRE ENTERPRISES PTY LTD	3,864,774	0.73%
11	BNP PARIBAS NOMINEES PTY LTD<IB AU NOMS RETAILCLIENT DRP>	2,936,989	0.56%
12	MR TRENT ANTONY GOODRICK	2,000,000	0.38%
13	LANDMARK HOLDINGS (WA) PTY LTD<THE NESRAL A/C>	1,697,143	0.32%
14	MR BRIAN MICHEAL PORTELLI	1,526,315	0.29%
15	MISS PENNY BOLGIA	1,470,019	0.28%
16	MR DANIEL GIOVINAZZO<GIODAN FAMILY A/C>	1,400,000	0.27%
17	MS TRA THU LE	1,290,000	0.25%
18	MS VANESSA JANE ROBERTSON	1,287,858	0.24%
19	MRS LISA JANE BECKER	1,236,045	0.23%
20	MR ANAND SUNDARARAMAN	1,140,575	0.22%
	<b>Totals</b>	<b>465,917,879</b>	<b>88.52%</b>
	<b>Total Issued Capital</b>	<b>526,321,489</b>	<b>100.00%</b>

There are no Unquoted Equity Securities.

**Rewardle Holdings Limited**  
**Shareholder information**  
**30 June 2021**

There are no Restricted Securities.

**On-market Buy-back**

Currently there is no on-market buy-back of the 's securities.

**Consistency with business objectives**

The Company confirms that it has been using the cash and assets for the year ended 30 June 2021 in a way that is consistent with its business objectives and strategy.