Kyckr Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	Kyckr Limited
ABN:	38 609 323 257
Reporting period:	For the half-year ended 31 December 2017
Previous period:	For the half-year ended 31 December 2016

2. Results for announcement to the market

				$
Revenues from ordinary activities	up	38.5%	to	817,932
Loss from ordinary activities after tax attributable to the owners of Kyckr Limited	up	1.0%	to	(1,944,195)
Loss for the half-year attributable to the owners of Kyckr Limited	up	1.0%	to	(1,944,195)

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 $1,944,195 (31 December 2016: $1,924,171).

Refer to the Review of operations in the Directors' report for further detail.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	0.13	1.11

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

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

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

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

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

Not applicable.

10. Audit qualification or review

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

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

11. Attachments

Details of attachments (if any):

The Interim Report of Kyckr Limited for the half-year ended 31 December 2017 is attached.

12. Signed

Signed ______________________________ Date: 28 February 2018

John Van Der Wielen
Director
Sydney

Kyckr Limited

ABN 38 609 323 257

Interim Report - 31 December 2017

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'Group') consisting of Kyckr Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2017.

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

Mr John Van Der Wielen - Non-Executive Chairman
Mr David Cassidy - Chief Executive Officer and Managing Director (resigned as Director on 31 December 2017)
Mr Benjamin Cronin - Executive Director
Mr Robert Leslie - Executive Director
Mr Albert YL Wong - Non-Executive Director
Mr John Walsh - Non-Executive Director (resigned on 31 December 2017)
Mr Patrick Curry - Non-Executive Director (resigned on 31 December 2017)

Principal activities
The principal activity of the Group during the period consisted of the provision of data and technology solutions to accelerate customer acquisition and protect against money laundering, fraud and tax evasion. Kyckr's solutions are connected to over 180 regulated primary sources, in over 120 countries, providing real-time company registry information on over an estimated 80 million businesses globally. Kyckr provides automated technology solutions to improve the efficiency and effectiveness of Corporate KYC.

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

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $1,944,195 (31 December 2016: $1,924,171).

First revenues from Bloomberg following completed integration
In July, Kyckr signed a multi-year collaboration agreement with global financial data and software company Bloomberg, providing its customers with access to business registry data through various products, including Bloomberg's KYC Entity Exchange service. Kyckr's services are now fully integrated into Bloomberg's Entity Exchange, with the Company receiving first revenues under the agreement in January 2018. The agreement provides strong commercial validation of Kyckr's offering and is expected to generate further revenues and cash, once launched.

Significant customers signed and services delivered during period
Kyckr signed several customers, with a global content agreement signed with multinational technology company IBM, an agreement with its first Australian Financial Institution, an agreement with a leading global payments provider shortly after period end, and a proof of concept with top life insurance company, Prudential Singapore. Furthermore, Kyckr successfully delivered services to its first major Australian Financial Institution, delivering first revenues during the period, with discussions to expand Kyckr's offering currently underway and expected to increase revenue in 2018 and beyond.

Extension of data services, including China
Kyckr significantly extended its coverage of company filing information, adding China and improving access to Singapore, Australia and many of the US States during the period. Kyckr will continue to extend it coverage to additional regions and expand the existing document offering in regions it already accesses, ensuring Kyckr continues to provide superior access to global company information.

In preparation for its launch with Bloomberg, Kyckr has increased resources in its product delivery team, to deliver filings and to address client queries for 15 hours per day, up from 9 hours previously. This year, Kyckr will look to further increase this to 24 hours a day, to meet increased client requirements.

Oversubscribed placement supports strategic growth plans
In October, the company successfully raised $2 million (before costs) in an oversubscribed placement to sophisticated, professional and institutional investors at an issue price of $0.17 per share. The funds raised support the Company's plans to invest in additional operational support and business development resources to capitalise on revenue opportunities with global blue-chip clients.

Board changes support European and US Expansion plans
Benny Higgins, current CEO of Tesco Bank, will join Kyckr's board of directors as a non-executive Chair effective 1 March 2018. Benny's appointment follows the decision to streamline the board, resulting in Patrick Curry, John Walsh and David Cassidy stepping down as Directors on 31 December 2017. The streamlined board is strongly represented by members in the UK, Europe and Australia.

Additionally, with the full support of Kyckr's CEO, David Cassidy, transition of the role of CEO from Australia to the UK is currently underway in support of the Company's strategic plans to expand in Europe and the US, which are both considered key markets that will support the future growth of the Company.

Further investment into business development and digital marketing resources in London and Sydney were also made during the period, in support of the Company's strategic growth plans.

Outlook
Kyckr expects to deliver a significantly stronger second half, as services with key clients won in the first half of FY18 commence and begin to materially contribute to revenues. This will likely come about in Q4 FY18.

Management continues to focus on delivering organic growth and pursuing its pipeline of global business development opportunities as it focuses on securing new customers and increasing services from existing clients.

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

Matters subsequent to the end of the financial half-year
No matter or circumstance has arisen since 31 December 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

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.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

____
John Van Der Wielen
Chairman

28 February 2018
Sydney

To the Board of Directors of Kyckr Limited

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

As lead audit partner for the review of the interim financial statements of Kyckr Limited for the half year ended 31 December 2017, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

b) any applicable code of professional conduct in relation to the review.

Yours sincerely,

Nexia Sydney Partnership

Lester Wills
Partner

Date: 28 February 2018

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Kyckr Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2017

	Note	Consolidated 6 months to 31 Dec 2017 $	 6 months to 31 Dec 2016 $
Revenue	5	817,932	590,744
Other income	6	83,304	-
Expenses			
Direct costs and consumables used		(307,588)	(171,614)
Employee benefits expense		(1,354,014)	(697,299)
Share-based payments expense		(307,755)	(755,461)
Depreciation and amortisation expense		(28,049)	(21,531)
Consultancy and professional fees		(226,566)	(235,276)
Occupancy expenses		(72,256)	(30,234)
Travel expenses		(119,229)	(169,768)
Acquisition expenses		-	(226,707)
IPO related expenses		-	(40,874)
Investor relations, registry and listing expenses		(131,757)	-
Other expenses		(279,447)	(152,529)
Finance costs		(18,770)	(13,622)
Loss before income tax expense		(1,944,195)	(1,924,171)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of Kyckr Limited		(1,944,195)	(1,924,171)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(52,841)	8,927
Other comprehensive income for the half-year, net of tax		(52,841)	8,927
Total comprehensive income for the half-year attributable to the owners of Kyckr Limited		(1,997,036)	(1,915,244)
		Cents	**Cents**
Basic earnings per share	12	(1.84)	(2.52)
Diluted earnings per share	12	(1.84)	(2.52)

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

Kyckr Limited
Statement of financial position
As at 31 December 2017

	Note	Consolidated 31 Dec 2017 $	Consolidated 30 Jun 2017 $
Assets			
Current assets			
Cash and cash equivalents		3,085,775	2,670,859
Trade and other receivables		375,453	180,686
Other		143,062	116,127
Total current assets		3,604,290	2,967,672
Non-current assets			
Property, plant and equipment		46,472	26,259
Intangibles		12,332,009	12,321,017
Total non-current assets		12,378,481	12,347,276
Total assets		15,982,771	15,314,948
Liabilities			
Current liabilities			
Trade and other payables		732,481	410,926
Provisions		36,270	26,080
Deferred revenue		161,753	32,164
Total current liabilities		930,504	469,170
Non-current liabilities			
Deferred consideration		2,575,092	2,556,322
Total non-current liabilities		2,575,092	2,556,322
Total liabilities		3,505,596	3,025,492
Net assets		12,477,175	12,289,456
Equity			
Issued capital	7	16,774,543	14,897,543
Reserves		1,825,872	1,570,958
Accumulated losses		(6,123,240)	(4,179,045)
Total equity		12,477,175	12,289,456

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

Kyckr Limited
Statement of changes in equity
For the half-year ended 31 December 2017

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2016	1,402,966	-	(731,808)	671,158
Loss after income tax expense for the half-year	-	-	(1,924,171)	(1,924,171)
Other comprehensive income for the half-year, net of tax	-	8,927	-	8,927
Total comprehensive income for the half-year	-	8,927	(1,924,171)	(1,915,244)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs	13,642,131	488,319	-	14,130,450
Share-based payments	-	755,461	-	755,461
Balance at 31 December 2016	15,045,097	1,252,707	(2,655,979)	13,641,825

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2017	14,897,543	1,570,958	(4,179,045)	12,289,456
Loss after income tax expense for the half-year	-	-	(1,944,195)	(1,944,195)
Other comprehensive income for the half-year, net of tax	-	(52,841)	-	(52,841)
Total comprehensive income for the half-year	-	(52,841)	(1,944,195)	(1,997,036)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 7)	1,877,000	-	-	1,877,000
Share-based payments	-	307,755	-	307,755
Balance at 31 December 2017	16,774,543	1,825,872	(6,123,240)	12,477,175

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

	Note	Consolidated 6 months to 31 Dec 2017 $	Consolidated 6 months to 31 Dec 2016 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		811,676	463,854
Payments to suppliers and employees (inclusive of GST)		(2,254,925)	(1,639,067)
		(1,443,249)	(1,175,213)
Interest received		8,869	11,722
Net cash used in operating activities		(1,434,380)	(1,163,491)
Cash flows from investing activities			
Cash flow from purchase of subsidiary, net of cash acquired		-	50,525
Payments for property, plant and equipment		(26,151)	(10,005)
Payments for intangibles		(30,628)	-
Net cash from/(used in) investing activities		(56,779)	40,520
Cash flows from financing activities			
Proceeds from issue of shares	7	2,000,000	5,192,437
Cancellation of shares		-	(591)
Share issue transaction costs	7	(123,000)	(349,904)
Repayment of borrowings		-	(190,254)
Net cash from financing activities		1,877,000	4,651,688
Net increase in cash and cash equivalents		385,841	3,528,717
Cash and cash equivalents at the beginning of the financial half-year		2,670,859	266,943
Effects of exchange rate changes on cash and cash equivalents		29,075	(12,362)
Cash and cash equivalents at the end of the financial half-year		3,085,775	3,783,298

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

Note 1. General information

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

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

Level 6
36 Grosvenor Street
Sydney NSW 2000

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

The financial statements were authorised for issue, in accordance with a resolution of directors, on 28 February 2018.

Note 2. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2017 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2017 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

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

Going concern

The Group incurred a net loss for the half-year ended 31 December 2017 of $1,944,195 (31 December 2016: loss of $1,924,171) and experienced net cash outflows from operating activities of $1,434,380 (31 December 2016: $1,163,491). At 31 December 2017, cash and cash equivalents was $3,085,775 (30 June 2017: $2,670,859). The Group is forecasting a loss for the year ended 31 December 2018 that would extinguish all current cash reserves.

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

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

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

Note 3. Critical accounting judgements, estimates and assumptions

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

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

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

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

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

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

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

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

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

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

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

Note 4. Operating segments

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

The CODM reviews earnings before interest, tax, depreciation and amortisation ('EBITDA'). EBITDA is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for non-specific non-cash and significant items. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

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

Geographical information

	Sales to external customers		Geographical non-current assets	
	6 months to 31 Dec 2017 $	6 months to 31 Dec 2016 $	31 Dec 2017 $	30 Jun 2017 $
Australia	-	-	12,256,420	12,253,596
Ireland	809,683	579,022	122,062	93,680
	809,683	579,022	12,378,482	12,347,276

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

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

	Consolidated	
	6 months to 31 Dec 2017 $	6 months to 31 Dec 2016 $
Loss after tax	(1,944,195)	(1,924,170)
add: Depreciation and amortisation	28,049	21,531
Less: interest revenue	(8,869)	(11,722)
add: finance costs	18,770	13,622
EBITDA	(1,906,245)	(1,900,739)

Note 5. Revenue

	Consolidated	
	6 months to 31 Dec 2017 $	6 months to 31 Dec 2016 $
Sales revenue		
Sales of services	809,063	579,022
Other revenue		
Interest	8,869	11,722
Revenue	817,932	590,744

Note 6. Other income

	Consolidated	
	6 months to 31 Dec 2017 $	6 months to 31 Dec 2016 $
Net foreign exchange gain	83,304	-

Note 7. Equity - issued capital

	Consolidated			
	31 Dec 2017 Shares	30 Jun 2017 Shares	31 Dec 2017 $	30 Jun 2017 $
Ordinary shares - fully paid	112,726,896	100,962,186	16,774,543	14,897,543

Movements in ordinary share capital

Details	Date	Shares	Issue price	$
Balance	1 July 2017	100,962,186		14,897,543
Placement to institutional and sophisticated investors	17 October 2017	11,764,710	$0.17	2,000,000
less share issue costs (net of taxation)		-	$0.00	(123,000)
Balance	31 December 2017	112,726,896		16,774,543

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.

Note 8. Equity - dividends

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

Note 9. Fair value measurement

Fair value hierarchy
The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 31 Dec 2017	Level 1 $	Level 2 $	Level 3 $	Total $
Liabilities				
Deferred consideration	-	-	2,575,092	2,575,092
Total liabilities	-	-	2,575,092	2,575,092

Consolidated - 30 Jun 2017	Level 1 $	Level 2 $	Level 3 $	Total $
Liabilities				
Deferred consideration	-	-	2,556,322	2,556,322
Total liabilities	-	-	2,556,322	2,556,322

There were no transfers between levels during the financial half-year.

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

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

Valuation techniques for fair value measurements categorised within level 2 and level 3
The fair value of the deferred consideration is estimated based on a probability of meeting all of the vesting conditions relating to these shares under the terms of the Share Purchase Agreement.

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

Consolidated	Deferred consideration $	Total $
Balance at 1 July 2017	2,556,322	2,556,322
Unwinding of the discount*	18,770	18,770
Balance at 31 December 2017	2,575,092	2,575,092

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

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

Description	Unobservable inputs	Range (weighted average)	Sensitivity
Deferred consideration	Discount rate	1.46%	0.25% change would increase/decrease fair value by $4,193.

Note 10. Commitments

	Consolidated 31 Dec 2017 $	Consolidated 30 Jun 2017 $
Lease commitments - operating		
Committed at the reporting date but not recognised as liabilities, payable:		
Within one year	49,106	-

Operating lease commitments includes contracted amounts for properties under non-cancellable operating leases expiring within 1 year. On renewal, the terms of the leases are renegotiated.

Note 11. Related party transactions

Parent entity
Kyckr Limited is the parent entity.

Transactions with related parties
The following transactions occurred with related parties:

	Consolidated 6 months to 31 Dec 2017 $	Consolidated 6 months to 31 Dec 2016 $
Payment for goods and services:		
Payment for services from director related entity	25,002	111,668

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

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

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

Note 12. Earnings per share

	Consolidated 6 months to 31 Dec 2017 $	Consolidated 6 months to 31 Dec 2016 $
Loss after income tax attributable to the owners of Kyckr Limited	(1,944,195)	(1,924,171)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	105,757,584	76,471,114
Weighted average number of ordinary shares used in calculating diluted earnings per share	105,757,584	76,471,114
	Cents	**Cents**
Basic earnings per share	(1.84)	(2.52)
Diluted earnings per share	(1.84)	(2.52)

Note 12. Earnings per share (continued)

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

Note 13. Events after the reporting period

No matter or circumstance has arisen since 31 December 2017 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2017 and of its performance for the financial half-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.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

____
John Van Der Wielen
Chairman

28 February 2018
Sydney

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF KYCKR LIMITED

We have reviewed the accompanying half-year financial report of Kyckr Limited (the 'Company') and Consolidated Entities (the 'Group'), which comprises the consolidated statement of financial position as at 31 December 2017 the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the Group comprising the Company and the entities it controlled at the half year's end or from time to time during the half year.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report, which highlights that the Group incurred a net loss of $1,944,195, experienced operating cash outflows of $1,434,380 during the period ended 31 December 2017 and is forecasting a loss in the year ended 31 December 2018 that would extinguish all current cash reserves. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the company's financial position as at 31 December 2017 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Kyckr Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, has been given to the directors of Kyckr Limited.

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF KYCKR LIMITED (CONT'D)

Conclusion

Based on our review, which is not an audit, we have not become aware of any other matter that makes us believe that the half-year financial report of Kyckr Limited and controlled entities is not in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the Group's financial position as at 31 December 2017 and of its performance for the half year ended on that date; and

(ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Nexia

Nexia Sydney Partnership

Lester Wills
Partner

Dated: 28 February 2018

Sydney