

FY21 Half Year Results

Period to 31st December 2020

SelfWealth Limited

ABN 52 154 324 428

Level 2, 613 Canterbury Road

Surrey Hills, Victoria, 3127

A person wearing a white long-sleeved shirt is sitting at a desk, using a silver laptop. The laptop screen displays a financial dashboard with various charts and data points. The dashboard includes a 'Dashboard (Test)' header, a 'Estimated Earnings Today' section showing '\$2,948.66', a 'Live Performance Since January 2021' line chart, and a 'Top Stocks in my Portfolio' section. The person's hands are visible on the laptop keyboard and trackpad. The background is a dark, textured surface.

SelfWealth[®]

Trade smarter. Every time.

Who is SelfWealth?

The Story

Since SelfWealth's humble beginnings in 2012, the company listed in late 2017 and introduced what is now known as Australia's fastest growing flat-fee share trading platform for savvy retail investors. The key offerings are the \$9.50 flat-fee brokerage for both Australian and US shares and a community-driven insights tool that pools information from over 80,000 Australian investor portfolios.

This inquisitive company and its leadership continue to innovate and surprise the industry with new solutions to an age-old problem: how to trade smarter.

Product Suite



ASX and US Share Trading Platform

Australia's fastest-growing flat-fee stock trading platform.



Power of the Crowd

Actionable insights from over 80,000+ real investor portfolios that assist members in outperforming the market.



SelfWealth Adviser Platform

Introducing an industry-changing Adviser Platform for share trading.

SelfWealth[®]

Trade smarter. Every time.



SelfWealth Limited

Appendix 4D

Half-year 31 December 2020

Name of entity: SelfWealth Limited
ABN: 52 154 324 428
Half-year ended: 31 December 2020
Previous period: 31 December 2019

Results for announcement to the market

				\$
Revenue for ordinary activities	Up	278.5%	to	8,434,352
Net loss after tax (from ordinary activities) for the period attributable to members	Down	70.2%	to	(432,990)

Net tangible assets per security

	31 December 2020 Cents	31 December 2019 Cents
Net tangible asset backing (per share)	2.75	0.70

Explanation of results

An explanation of the key financial elements contributing to the revenue and result above can be found in the review of operations included within the directors' report.

Distributions

No dividends have been paid or declared by the Company for the current financial period. No dividends were paid for the previous financial period.

Other information required by Listing Rule 4.2A

N/A

Interim review

The financial statements have been reviewed by the Company's independent auditor without any modified opinion, disclaimer or emphasis of matters.

SelfWealth Limited

ABN 52 154 324 428

Interim financial report for the half-year 31 December 2020

Directors

Mr Tony Lally
Non-Executive Chairman

Mr Robert Edgley
Managing Director

Mr John O'Shaughnessy
Non-Executive Director

Mr Tam Vu
Non-Executive Director

Secretary

Mr Phillip Hains

Principal registered office in Australia

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Share and debenture register

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Auditor

Grant Thornton Audit Pty Ltd
Collins Square, Tower 5
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Melbourne VIC 3000
+61 (0)3 8320 2222

Solicitors

K&L Gates
Level 25, 525 Collins Street
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+61 (0)3 9205 2000

Bankers

Westpac Banking Corporation
150 Collins Street
Melbourne VIC 3000

Website

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SelfWealth Limited

ABN 52 154 324 428

Interim report - 31 December 2020

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The Directors present their report on SelfWealth Limited for the half-year ended 31 December 2020.

Directors

Mr Tony Lally - Non-Executive Chairman
Mr Robert Edgley - Managing Director
Mr John O'Shaughnessy - Non-Executive Director
Mr Tam Vu - Non-Executive Director

Principal activities

During the period the principal continuing activities of the Company consisted of:

- Online \$9.50 flat fee share trading services
- Online investor community portal services

Dividends

No dividends have been paid during the financial period. The directors do not recommend that a dividend be paid in respect of the financial period (2019: nil).

Review of operations

SelfWealth achieved record revenue of \$8.43 million for the six months to 31 December 2020, an increase of \$6.21 million and 278.5%. The Company's revenue growth was primarily driven by trading revenue, which increased to \$6.23 million, up 402.4%. The Company's unique offering attracts both new retail investors and retail investors from competition platforms.

Client cash balances, which are a driver of revenue for the Company via interest generated, have also grown substantially to \$435 million at the end of December 2020. The cash balance growth represents a 220% increase on last year's balances.

The loss from ordinary activities after income tax of \$432,990 was down 70.2% on the December 2019 loss of \$1,454,500.

Cash at bank at the end of 31 December 2020 is \$7.27 million, which has allowed the business to invest in the development of both US trading and new mobile phone applications, without impacting the Company's capital strength.

The launch of US trading began on the 14 December 2020, introducing new revenue streams in US dollar brokerage and foreign exchange transactions.

Please see investor presentation released on ASX on 19 February 2021 for further information.

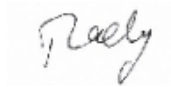
Events since the end of the financial year

No matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the group, the results of those operations or the state of affairs of the group or economic entity in subsequent financial periods.

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 on page 5.

This report is made in accordance with a resolution of directors.

A handwritten signature in black ink, appearing to read 'Tony Lally', is centered on a light gray rectangular background.

Mr Tony Lally
Director

Melbourne
18 February 2021

Auditor's Independence Declaration

To the Directors of SelfWealth Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of SelfWealth Limited for the period ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd
Chartered Accountants



Derek Ng
Partner – Audit & Assurance

Melbourne, 18 February 2021

SelfWealth Limited
Condensed statement of profit or loss and other comprehensive income
For the half-year 31 December 2020

	Notes	Half-year ended 31 December 2020 \$	Half-year ended 31 December 2019 \$
Revenue from contracts with customers	4	8,434,352	2,228,269
Cost of providing services		<u>(5,254,467)</u>	<u>(1,452,034)</u>
Gross profit		3,179,885	776,235
 Other income	 5(a)	 35,397	 216,761
General and administrative expenses	5(c)	(3,226,192)	(2,194,807)
Selling and marketing expenses	5(c)	(428,179)	(249,218)
Operating loss		(439,089)	(1,451,029)
 Finance income	 5(b)	 11,203	 5,728
Finance expenses	7(b)	(5,104)	(9,199)
Finance costs - net		6,099	(3,471)
 Loss before income tax		 (432,990)	 (1,454,500)
 Income tax expense		 -	 -
Loss for the period		(432,990)	(1,454,500)
 Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>		-	-
<i>Items that will be reclassified subsequently to profit or loss</i>		-	-
Total comprehensive loss for the period		(432,990)	(1,454,500)
 Total comprehensive income for the period is attributable to: Owners of SelfWealth Limited		 (432,990)	 (1,454,500)
		Cents	Cents
 Loss per share for loss from continuing operations attributable to the ordinary equity holders of the Company:			
Basic loss per share	12	(0.22)	(0.85)
Diluted loss per share	12	(0.22)	(0.85)

The Company has reclassified certain expenditure items in prior year comparatives in order to be consistent with the current year classification and presentation.

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

SelfWealth Limited
Condensed statement of financial position
As at 31 December 2020

	31 December 2020	30 June 2020 (restated)
Notes	\$	\$
ASSETS		
Current assets		
Cash and cash equivalents	7,269,247	5,261,151
Trade and other receivables	6(a) 66,025	172,421
Other current assets	173,338	218,200
Total current assets	<u>7,508,610</u>	<u>5,651,772</u>
Non-current assets		
Right-of-use assets	7(a) 87,691	135,999
Property, plant and equipment	54,369	58,667
Intangible assets	6,827	6,737
Other non-current assets	8 125,000	-
Total non-current assets	<u>273,887</u>	<u>201,403</u>
Total assets	<u>7,782,497</u>	<u>5,853,175</u>
LIABILITIES		
Current liabilities		
Trade and other payables	6(b) 1,496,749	1,225,225
Employee benefit obligations	284,225	279,733
Deferred revenue	55,490	263,001
Lease liabilities	7(a) 102,043	113,658
Total current liabilities	<u>1,938,507</u>	<u>1,881,617</u>
Non-current liabilities		
Employee benefit obligations	109,863	85,142
Lease liabilities	7(a) -	39,336
Total non-current liabilities	<u>109,863</u>	<u>124,478</u>
Total liabilities	<u>2,048,370</u>	<u>2,006,095</u>
Net assets	<u>5,734,127</u>	<u>3,847,080</u>
EQUITY		
Share capital	9(a) 27,287,723	23,878,834
Other reserves	9(b) 444,010	1,532,862
Accumulated losses	(21,997,606)	(21,564,616)
Total equity	<u>5,734,127</u>	<u>3,847,080</u>

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

SelfWealth Limited
Condensed statement of changes in equity
For the half-year 31 December 2020

Notes	Attributable to owners of SelfWealth Limited			Total equity \$
	Share capital \$	Other reserves \$	Accumulated losses \$	
Balance at 1 July 2019	20,598,302	467,198	(18,566,066)	2,499,434
Loss for the period	-	-	(1,454,500)	(1,454,500)
Total comprehensive income for the half-year	-	-	(1,454,500)	(1,454,500)
Transactions with owners in their capacity as owners:				
Issue of shares to employees	337,495	-	-	337,495
Less: Equity raising costs	(600)	-	-	(600)
Share based payments	-	7,877	-	7,877
Loan shares issued/expensed	-	6,155	-	6,155
Options forfeited/lapsed reversal	-	(8,077)	8,077	-
	336,895	5,955	8,077	350,927
Balance at 31 December 2019	20,935,197	473,153	(20,012,489)	1,395,861
Balance at 1 July 2020	23,878,834	1,532,862	(21,301,615)	4,110,081
Change in accounting policy	-	-	(263,001)	(263,001)
Restated total equity as at 1 July 2020	23,878,834	1,532,862	(21,564,616)	3,847,080
Loss for the period	-	-	(432,990)	(432,990)
Total comprehensive income for the half-year	-	-	(432,990)	(432,990)
Transactions with owners in their capacity as owners:				
Issue of shares to employees	160,281	(160,281)	-	-
Share based payments	-	456,694	-	456,694
Issue of shares to directors	962,500	(962,500)	-	-
Options exercised	2,286,108	(422,765)	-	1,863,343
	3,408,889	(1,088,852)	-	2,320,037
Balance at 31 December 2020	27,287,723	444,010	(21,997,606)	5,734,127

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

SelfWealth Limited
Condensed statement of cash flows
For the half-year 31 December 2020

	31 December 2020	31 December 2019
	\$	\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	8,831,885	2,372,821
Payments to suppliers and employees (inclusive of GST)	(8,655,397)	(3,779,852)
Interest received	14,654	5,728
Interest paid and finance cost	(5,104)	(9,199)
Government grants and R&D tax incentives	179,397	463,692
Net cash inflow/(outflow) from operating activities	365,435	(946,810)
Cash flows from investing activities		
Payments for property, plant and equipment	(8,710)	(6,033)
Payments for other current assets	(125,000)	-
Net cash outflow from investing activities	(133,710)	(6,033)
Cash flows from financing activities		
Share issue transaction costs	-	(600)
Principal elements of lease payments	(50,951)	(45,122)
Proceeds from options exercised	1,827,322	-
Net cash inflow/(outflow) from financing activities	1,776,371	(45,722)
Net increase/(decrease) in cash and cash equivalents	2,008,096	(998,565)
Cash and cash equivalents at the beginning of the financial year	5,261,151	2,542,207
Cash and cash equivalents at end of the half-year	7,269,247	1,543,642

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

1 Basis of preparation of half-year report

This condensed interim financial report for the half-year reporting period ended 31 December 2020 have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

These interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public announcements made by SelfWealth Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year, other than as noted below.

(a) Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the company incurred a loss of \$432,990 and had net operating cash inflows of \$365,435 for the half-year ended 31 December 2020. As at 31 December 2020, the company held cash and cash equivalents of \$7,269,247.

In the process of approving the company's internal forecast and business plan for upcoming financial years, the board has considered the cash position of the company within the next 12 months from the date of this report, further supported by the application of sensitivity analysis and stress-testing of the key existing revenue stream assumptions used with consideration to historical growth rate. Based on the assessment of the company's ability to achieve its growth targets, the board believes that the group will continue as a going concern and be able to repay its debts as and when they fall due. The board also acknowledges the company's access to the capital market should additional funding is required.

Accordingly, the financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

(b) New and amended standards adopted by the Company

The Company 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 standards has not had any impact on the disclosures or amounts reported in these financial statements.

2 Changes in accounting policies

Correction of membership subscription fee revenue recognition

The Directors identified that the accounting policy adopted in the year ended 30 June 2020 in respect to the recognition of membership subscriptions was inconsistent with best practices established as part of the adoption of AASB 15 Revenues from Contracts with Customers. This resulted in a material overstatement of revenue recognised for the 30 June 2020 financial year and a corresponding understatement of deferred income. As a consequence of the correction of the accounting policy, additional membership subscription revenue has been recognised in the current period ended 31 December 2020. The impact of the restatement for the year ended 30 June 2020 is demonstrated as follows:

2 Changes in accounting policies (continued)

AASB 15 Revenue from Contracts with Customers – Accounting policies

	Prior year restatement		
Statement of profit or loss and other comprehensive income	30 June 2020 Reported \$	Increase/ (decrease) \$	30 June 2020 Restated \$
Revenue - sale of goods	8,084,523	(263,001)	7,821,522
Cost of providing services	(5,000,115)	-	(5,000,115)
Gross profit	3,084,408	(263,001)	2,821,407
Loss for the period	(2,781,684)	(263,001)	(3,044,685)
Total comprehensive loss for the period	(2,781,684)	(263,001)	(3,044,685)
	30 June 2020 Reported \$	Increase/ (decrease) \$	30 June 2020 Restated \$
Statement of financial position at the end of the earliest comparative period			
Total current assets	5,651,772	-	5,651,772
Total non-current assets	201,403	-	201,403
Total assets	5,853,175	-	5,853,175
Trade and other payables	1,225,225	-	1,225,225
Retirement benefit obligations	279,733	-	279,733
Deferred revenue	-	263,001	263,001
Lease liability	113,658	-	113,658
Total current liabilities	1,618,616	263,001	1,881,617
Total non-current liabilities	124,478	-	124,478
Total liabilities	1,743,094	263,001	2,006,095
Net assets	4,110,081	(263,001)	3,847,080
Share capital	23,878,834	-	23,878,834
Other reserves	1,532,862	-	1,532,862
Accumulated losses	(21,301,615)	(263,001)	(21,564,616)
Total equity	4,110,081	(263,001)	3,847,080

3 Segment and revenue information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of SelfWealth Limited. For the current and previous reporting periods, the Company's main activity is to provide a flat fee brokerage service in Australia. Accordingly, the Company has identified one reportable segment.

4 Revenue from contract with customers

Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of services over time and at a point in time:

	31 December 2020	31 December 2019
	\$	\$
Trading revenue ¹	6,225,382	1,239,024
Membership subscription revenue ²	210,081	46,574
Interest income ³	1,940,931	940,599
ETF Income	14,623	2,072
International trading revenue	16,186	-
FX Revenue	27,149	-
	8,434,352	2,228,269

1. Trading revenue: Revenue from \$9.50 (inc GST) flat fee buy and sell trades is recognised at a point in time when the Company has facilitated the trading request, the single performance obligation.

2. Membership subscription revenue: Revenue is earned from memberships over the time period at the membership relates. Where a membership includes free trades, the transaction price is allocated between the trades and the membership.

3. Interest income: Interest income is generated on client monies held in the Trading Cash Account. These accounts are held in the name of the customers and therefore not recognised in the Company's statement of financial position. Income is recognised over time in the accounting period in which investment relates.

5 Other income and expense items

(a) Other income

	31 December 2020	31 December 2019
	\$	\$
R & D Tax Incentive Income	(20,603)	216,761
Government assistance	50,000	-
Sundry Income ¹	6,000	-
Other income	35,397	216,761

¹ For the reporting period ended 31 December 2020, the Company received \$6,000 sundry income from ETFS Management Ltd for ETF's educational and marketing content partnership.

(i) Fair value of R&D tax incentive

The Company's research and development (R&D) activities are eligible under an Australian government tax incentive for eligible expenditure from 1 July 2011. Management has assessed these activities and expenditure to determine which are likely to be eligible under the incentive scheme. Government grants are recognised at their fair value when it has been established that the conditions of the tax incentive have been met and that the expected amount can be reliably measured.

For the reporting period ended 31 December 2020, the Company does not have a R&D tax incentive accrual and as such there is a negative of \$20,603 due to an over accrual of R&D tax incentive for the year ended 30 June 2020.

(ii) Fair value of government assistance

COVID-19 assistance grant \$50,000 is included in the "Government assistance" line item. This is the "Cashflow boost for employers" measure announced as part of the Australian Government's economic stimulus package in March 2020.

(b) Finance income and costs

	31 December 2020	31 December 2019
	\$	\$
Finance income	11,203	5,728
	11,203	5,728

5 Other income and expense items (continued)

(c) Breakdown of expenses by nature

	31 December 2020	31 December 2019
	\$	\$
General and administrative expenses*		
Accounting and audit	57,713	76,150
Consulting	278,290	120,318
Depreciation	55,886	53,866
Employee benefits	1,681,694	1,135,425
Insurance	98,779	89,357
Legal	48,691	11,971
Listing and share registry	111,611	61,820
Occupancy	16,831	19,371
Recruitment and staff training	14,708	20,379
Share-based payments	456,696	351,528
Superannuation	137,911	94,881
Travel and entertainment	2,166	76,359
Research and development expenses	-	45,455
Other	265,216	37,927
	<u>3,226,192</u>	<u>2,194,807</u>

**The Company has reclassified certain expenditure items in prior year comparatives in order to be consistent with the current year classification and presentation.*

Selling and marketing expenses

Advertising and promotion	420,979	229,867
Conferences	4,500	18,223
Public relations	2,700	-
Other	-	1,128
	<u>428,179</u>	<u>249,218</u>

6 Financial assets and financial liabilities

(a) Trade and other receivables

	31 December 2020	30 June 2020
	\$	\$
Other receivables	3,101	19,050
Accrued interest income	2,265	7,142
Research and development tax incentive	-	150,000
GST refundable/(payable)	60,659	(3,771)
	66,025	172,421

(b) Trade and other payables

	31 December 2020	30 June 2020
	\$	\$
Trade payables	1,073,984	872,252
Accrued expenses	325,951	255,546
Other payables	96,814	97,427
	1,496,749	1,225,225

7 Leased assets

(a) Amounts recognised in the statement of financial position

The statement of financial position shows the following amounts relating to leases:

	31 December 2020	30 June 2020
	\$	\$
Right-of-use assets		
Properties	87,691	135,999
	\$	\$
Lease liabilities		
Current	102,043	113,658
Non-current	-	39,336
	102,043	152,994

7 Leased assets (continued)

(b) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	31 December 2020 \$	31 December 2019 \$
Depreciation charge of right-of-use assets		
Properties	48,309	48,629
Interest expense (included in finance cost)	5,104	9,199

The total cash outflow for leases in period ended 31 December 2020 was \$56,055.

(c) The company's leasing activities and how these leases are accounted for

At the start of the current accounting period, the Company has the following leased asset:

- Office lease at 613 Canterbury Road, Surrey Hills, Victoria

	31 December 2020 \$	30 June 2020 \$
Right-of-use assets		
Gross Value - Properties	287,751	287,751
Accumulated depreciation - Properties	(200,060)	(151,752)
	87,691	135,999

8 Other non-current assets

	31 December 2020 \$	30 June 2020 \$
Non-current assets		
Other non-current assets	125,000	-

For the reporting period ended 31 December 2020, the Company paid \$125,000 to Phillip Capital for an international trading security bond.

9 Equity

(a) Share capital

	31 December 2020 Shares	30 June 2020 Shares	31 December 2020 \$	30 June 2020 \$
Ordinary shares				
Fully paid	205,357,919	195,861,000	27,287,723	23,878,834
<i>(i) Movements in ordinary shares</i>				
Details			Number of shares	\$
Balance at 1 July 2019			170,376,197	20,598,302
Share issue in lieu of cash payment for FY19 employees' performance bonus			1,406,231	337,495
Issue at \$0.14 pursuant to ordinary share issue (9 Mar 2020)			21,428,572	3,000,000
Issue at \$0.25 pursuant to option exercised (26 Jun 2020)			500,000	125,000
Issue at \$0.126 pursuant to ESP loan shares to KMP (1 July 2019) (*)			2,150,000	-
Less: Transaction costs arising on share issues			-	(181,963)
Balance at 30 June 2020			195,861,000	23,878,834
Issue at \$0.17 pursuant to option exercised (1 Jul 2020)			211,880	36,020
Issue at \$0.25 pursuant to option exercised (2 Jul 2020)			500,000	125,000
Issue at \$0.25 pursuant to option exercised (13 Jul 2020)			1,076,454	269,114
Issue at \$0.25 pursuant to option exercised (2 Sep 2020)			2,000,000	500,000
Issue bonus shares to staff and executives under ESOP (10 Sep 2020)			225,748	160,281
Issue at \$0.25 pursuant to option exercised (6 Oct 2020)			3,532,837	883,209
Issue at \$0.25 pursuant to option exercised (12 Oct 2020)			200,000	50,000
Issue shares to managing director (27 Oct 2020)**			1,750,000	962,500
Exercised option fair value transfer from reserve to issued capital			-	422,765
Balance at 31 December 2020			205,357,919	27,287,723

(*) The fair value of loan shares have been taken up in the share-based payments reserve as disclosed in note 9(b)(i).

(**) Mr Robert Edgley was issued 1,000,000 one-off ordinary shares and 750,000 discretionary bonus ordinary shares as approved by shareholders at October 2020 AGM.

(ii) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote. Ordinary shares have no par value and the company does not have a limited amount of authorised capital.

9 Equity (continued)

(b) Other reserves

	31 December 2020	30 June 2020
	\$	\$
Options and loan shares	444,010	1,532,862
<i>(i) Movement in share-based payment reserve</i>		
Details		\$
Balance at 1 July 2019		467,198
Amortisation of share-based payments for options		14,306
Amortisation of share-based payments for loan shares (*)		118,663
Other short-term incentive		520,282
Options exercised during the period		(30,750)
Lapse of ESOP unlisted options		(16,837)
Remuneration share-based payments		460,000
Balance at 30 June 2020		1,532,862
Issue bonus shares to staff for FY2020 performance		(160,281)
Amortisation of share-based payments for options		4,626
Amortisation of share-based payments for loan shares (*)		57,632
Additional expense for fair value adjustment of remuneration share-based payments(**)		90,000
Bonus shares share-based payments		304,436
Remuneration share-based payments(**)		(550,000)
Bonus shares issue to managing director for FY2020 performance(**)		(412,500)
Options exercised during the period		(422,765)
Balance at 31 December 2020		444,010

(*) The number of loan shares issued is reflected in share capital as disclosed in note 9(a)(i).

(**) The one-off issue of 1,000,000 ordinary shares and 750,000 discretionary bonus shares to managing director for FY2020 performance were approved by shareholders at October 2020 AGM.

There are no options on issue but not yet exercised at 31 December 2020 (30 June 2020: 7,451,217).

10 COVID-19 impact on business

Despite the challenges faced by various sectors in the economy, SelfWealth has implemented the necessary risk management procedures to minimise disruption to the Company. The Company received financial support from Federal Government incentives through the Cashflow Boost for employers and, through payroll tax refunds by the Victorian State Government. SelfWealth recorded other income of \$50,000 for these items. SelfWealth did not participate in JobKeeper and has not terminated any employees during this period.

To date COVID-19 has not had a negative impact on the Company with the most significant impact being staff working remotely. This change has been delivered with minimal loss of reputation or system failures.

As of the date of report, the impact of COVID-19 remains minimal to the Company's operation.

11 Events occurring after the reporting period

No matter or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of the Company, the results of those operations or the state of affairs of the Company or economic entity in subsequent financial periods.

12 Loss per share

(a) Reconciliation of loss used in calculating loss per share

	31 December 2020	31 December 2019
	\$	\$
<i>Basic and diluted loss per share</i>		
Loss attributable to the ordinary equity holders of the Company used in calculating basic loss per share:		
From continuing operations	(432,990)	(1,454,500)

(b) Weighted average number of shares used as denominator

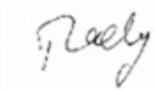
	31 December 2020	31 December 2019
	Number	Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per share	201,364,834	171,102,240

Due to the net loss, dilutive earnings per share is the same as basic earnings per share.

In the directors' opinion:

- (a) the financial statements and notes set out on pages 2 to 19 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the entity's financial position as at 31 December 2020 and of its performance for the half-year ended on that date, and
- (b) there are reasonable grounds to believe that the SelfWealth Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of directors.



Mr Tony Lally
Director

Melbourne
18 February 2021

Independent Auditor's Report

To the Members of SelfWealth Limited

Report on the review of the half year financial report

Conclusion

We have reviewed the accompanying half-year financial report of SelfWealth Limited (the Company), which comprises the condensed statement of financial position as at 31 December 2020, and the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of SelfWealth Limited does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2020 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review 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 (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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 gives a true and fair view and 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 half year 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 2020 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*.

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.



Grant Thornton Audit Pty Ltd
Chartered Accountants



Derek Ng

Partner – Audit & Assurance

Melbourne, 18 February 2021