

Appendix 4E Preliminary Final Report

Appendix 4E

Preliminary final report

1. Details of reporting period

Name of entity	DOTZ NANO LIMITED
ABN	71 125 264 575
Reporting Year	Year ended 31 DECEMBER 2021
Previous Corresponding Year	Year ended 31 DECEMBER 2020

2. Results for announcement to the market

Key information	12 months ended 31 December 2021 US \$	12 months ended 31 December 2020 US \$	Increase/ (decrease) %	Amount change \$
Revenues from ordinary activities	304,595	375,811	(19%)	(71,217)
Profit/(Loss) from ordinary activities after tax attributable to members	(7,935,940)	(3,968,996)	100%	(3,966,944)
Net Profit/ (Loss) for the period attributable to members	(7,935,940)	(3,968,996)	100%	(3,966,944)
Net tangible asset/(deficiency) \$ per share	0.009	0.014	(32%)	(0.004)

3. Consolidated statement of profit or loss and other comprehensive income

Refer to attached preliminary final report.

4. Consolidated statement of financial position

Refer to attached preliminary final report.

5. Consolidated statement of cash flows

Refer to attached preliminary final report.

6. Consolidated statement of changes in equity

Refer to attached preliminary final report.

7. Dividends/Distributions

No dividends declared in current or prior year.

8. Details of dividend reinvestment plans

N/A

9. Details of entities over which control has been gained or lost during the period

N/A

10. Details of associate and joint venture entities

N/A

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11. Any other significant information needed by an investor to make an informed assessment of the Company's financial performance and financial position

Refer to 13. Commentary for results for period and Explanatory information and additional Notes following the preliminary report.

12. Foreign entities

Dotz Nano Limited			
Controlled entity	Country of incorporation	Percentage Owned	
		2021	2020
Dotz Nano Ltd	Israel	100%	100%

13. Commentary on results for period and explanatory information

Financial Review

Dotz Nano Limited had a loss for the year of US\$7,935,940 (2020: US\$3,968,996 loss).

The net assets of the Group have decreased from US\$5,205,896 at 31 December 2020 to US\$4,062,471 at 31 December 2021.

As at 31 December 2021 the Group's cash and cash equivalents decreased from a balance at 31 December 2020 of US\$5,259,087 to a balance of US\$4,137,046 and had working capital of US\$3,568,141 (2020: US\$4,950,829).

14. Audit

This report is based on financial statements which are in the process of being audited.



Non-Executive Chairman
Bernard Brookes

28 February 2022

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**PRELIMINARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME FOR THE YEAR ENDED 31 DECEMBER 2021**

	Note	2021 US\$	2020 US\$
Revenue from contract with customers		304,595	375,811
Cost of Sales		(122,190)	(264,881)
Gross profit		182,405	110,930
Research and development expenses		(1,519,442)	(634,112)
General, administrative, selling and marketing expenses		(3,357,675)	(2,119,086)
Share based compensation		(3,131,433)	(1,392,484)
Finance costs		(109,795)	65,756
Profit/(Loss) before income tax		(7,935,940)	(3,968,996)
Income tax expense		-	-
Profit/(Loss) for the year		(7,935,940)	(3,968,996)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating foreign operations		(231,713)	322,180
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive income/(loss) for the year		(8,167,653)	(3,646,816)
Basic earnings/(loss) per share (cents per share)		(1.98)	(1.24)

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PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	2021 US\$	2020 US\$
CURRENT ASSETS			
Cash and cash equivalents		4,137,046	5,259,087
Trade and other receivables		78,589	189,478
Other assets		73,013	28,360
Inventory		47,743	14,475
Loan to related party	2	218,227	-
TOTAL CURRENT ASSETS		4,554,618	5,491,400
NON-CURRENT ASSETS			
Plant and equipment		235,380	214,958
Right to use assets		540,741	47,845
TOTAL NON-CURRENT ASSETS		776,121	262,803
TOTAL ASSETS		5,330,739	5,754,203
CURRENT LIABILITIES			
Trade and other payables		575,941	428,797
Provisions		88,606	38,684
Contract liability		-	33,757
Lease liabilities		321,930	39,332
TOTAL CURRENT LIABILITIES		986,477	540,570
NON-CURRENT LIABILITIES			
Lease liabilities		281,791	7,737
TOTAL CURRENT LIABILITIES		281,791	7,737
TOTAL LIABILITIES		1,268,268	548,307
NET ASSETS		4,062,471	5,205,896
SHAREHOLDERS' EQUITY			
Issued capital	3	32,864,049	28,971,254
Reserves	4	6,489,479	3,589,759
Accumulated losses		(35,291,057)	(27,355,117)
SHAREHOLDERS' EQUITY		4,062,471	5,205,896

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**PRELIMINARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Issued Capital	Option Reserve	Foreign Currency Reserve	Accumulated Losses	Total
	US\$	US\$	US\$	US\$	US\$
Balance at 1 January 2020	22,627,901	2,102,496	(44,611)	(23,386,121)	1,299,665
Loss for the year		-	-	(3,968,996)	(3,968,996)
Other comprehensive loss		-	322,180	-	322,180
Total comprehensive loss for the year		-	322,180	(3,968,996)	(3,464,816)
Transactions with owners, recognised directly in equity					
Issue of shares	5,027,158	-	-	-	5,027,158
Exercise of options	1,316,195	-	-	-	1,316,195
Share based payments	-	1,209,694	-	-	1,209,694
Balance at 31 December 2020	28,971,254	3,312,190	277,569	(27,355,117)	5,205,896
Balance at 1 January 2021	28,971,254	3,312,190	277,569	(27,355,117)	5,205,896
Loss for the year	-	-	-	(7,935,940)	(7,935,940)
Other comprehensive loss	-	-	(231,713)	-	(231,713)
Total comprehensive loss for the year	-	-	(231,713)	(7,935,940)	(8,167,653)
Transactions with owners, recognised directly in equity					
Issue of shares	591,268	-	-	-	591,268
Exercise of options	3,301,527	-	-	-	3,301,527
Share based payments	-	3,131,433	-	-	3,131,433
Balance at 31 December 2021	32,864,049	6,443,623	45,856	(35,291,057)	4,062,471

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PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2021

	Note	2021 US\$	2020 US\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		291,629	394,461
Payments to suppliers and employees		(4,348,322)	(2,828,360)
Interest paid		(108,346)	(14,228)
Interest received		7,355	460
Net cash used in operating activities		(4,157,684)	(2,447,667)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(165,861)	(20,168)
Proceeds from investments		29,274	-
Net cash used in investing activities		(136,587)	(20,168)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Proceeds for the issue of shares		591,268	4,835,041
Proceeds from exercise of options		3,088,234	1,320,281
Lease payments		(221,060)	(144,896)
Net cash from financing activities		3,458,442	6,010,426
Net increase/ (decrease) in cash and cash equivalents		(835,829)	3,542,591
Cash and cash equivalents at the beginning of the financial year		5,259,087	1,371,275
Foreign exchange		(286,212)	345,221
Cash and cash equivalents at the end of the financial year		4,137,046	5,259,087

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PRELIMINARY CONSOLIDATED NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 1: BASIS OF PREPARATION

The preliminary final report has been prepared in accordance with ASX listing rule 4.3A and the disclosure requirements of ASX Appendix 4E.

This report has been prepared in accordance with Australian Accounting Standards (AASBs) (including Australian interpretations) adopted by the Australian Accounting Standard Board (AASB) and the Corporations Act 2001. The financial statements have been prepared on an accruals basis and are based on historical costs.

NOTE 2: LOAN TO RELATED PARTY

On 10 December 2021, Company entered into a Loan Agreement of up to A\$300,000 (excluding interest) to Marzameno Ltd (Marzameno), related to Director Kerry Harpaz for the purpose of funding the payment of the exercise of up to 1/3 of 10,000,000 Options (each with an exercise price of \$0.09 and exercisable on or before 11 December 2021).

The loan is unsecured, accrues interest at 6% per annum, and must be repaid in full on 31 March 2022. Until all monies owing under the Loan Agreement are repaid in full, Marzameno must not dispose of any of 10,000,000 Ordinary Shares (issued pursuant on the exercise of 10,000,000 Options held by Marzameno) subject to certain exceptions (such as the Company providing consent).

NOTE 3: ISSUED CAPITAL

	2021	2020
	US\$	US\$
(a) Share Capital		
434,184,704 fully paid ordinary shares (31 December 2020:376,382,378)	32,864,049	28,971,254
(b) Reconciliation of Share Capital	No.	US\$
Opening balance at 1 January 2020	295,004,274	22,627,901
Shares issued on exercise of options, 10 February 2020	347,977	-
Shares issued on exercise of options, 10 February 2020	500,000	-
Shares issued under Cleansing Prospectus, 6 May 2020	100	4
Shares issued under Deferred Share Placement, 18 June 2020	13,888,889	342,250
Shares issued on exercise of options, 18 June 2020	1,200,000	-
Shares issued on exercise of options, 18 June 2020	1,500,000	-
Shares issued to Mr Uzi Breier, 18 June 2020	1,000,000	58,183
Shares cancelled relating to Mr Uzi Breier, 18 June 2020	(1,000,000)	(42,440)
Shares issued to former employee, 18 June 2020	1,000,000	-
Shares issued on exercise of options, 18 June 2020	1,000,000	-
Shares issued on exercise of options, 10 July 2020	50,000	2,952
Shares issued on exercise of options, 22 July 2020	425,000	26,693
Shares issued on exercise of options, 28 July 2020	208,334	13,107
Shares issued on exercise of options, 20 August 2020	1,125,001	69,508
Shares issued to Consultant, 20 August 2020	1,500,000	177,581
Shares issued on exercise of options, 3 September 2020	80,648	5,294
Shares issued on exercise of options, 3 September 2020	495,000	-
Shares issued under Deferred Share Placement, 10 September 2020	13,888,889	363,651
Shares issued on exercise of options, 10 September 2020	803,299	52,218
Shares issued on exercise of options, 25 September 2020	2,662,635	156,150
Shares issued on exercise of options, 8 October 2020	1,000,000	64,404
Shares issued on exercise of options, 28 October 2020	12,790,443	872,878
Shares issued under Placement, 28 October 2020	25,068,000	4,443,303

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PRELIMINARY CONSOLIDATED NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 3: ISSUED CAPITAL

(b) Reconciliation of Share Capital

	No.	US\$
Shares issued on exercise of options, 12 November 2020	1,843,889	52,991
Less: capital raising fees	-	(315,374)
Closing balance at 31 December 2020	376,382,378	28,971,254

Opening balance at 1 January 2021

	376,382,378	28,971,254
Shares issued on exercise of options, 5 May 2021	200,000	9,164
Shares issued on exercise of options, 5 May 2021	9,169,931	614,666
Shares issued on exercise of options, 5 May 2021	10,410,000	800,175
Shares issued on exercise of options, 5 May 2021	1,012,500	53,997
Shares issued on exercise of options, 5 May 2021	375,000	13,979
Shares issued on exercise of options, 10 May 2021	6,333,334	352,745
Shares issued on exercise of options, 6 August 2021	4,590,000	353,255
Shares issued on exercise of options, 6 August 2021	375,000	13,546
Shares issued on exercise of options, 6 August 2021	4,000,000	0
Shares issued on exercise of options, 6 August 2021	337,500	17,999
Shares issued on exercise of options, 6 August 2021	483,873	32,778
Shares issued under the Placement, 6 August 2021	3,200,000	591,268
Shares issued on exercise of options, 27 August 2021	250,000	-
Shares issued on exercise of options, 14 September 2021	250,000	-
Shares issued on exercise of options, 27 October 2021	250,000	-
Shares issued on exercise of options, 20 December 2021	850,000	29,463.67
Shares issued on exercise of options, 20 December 2021	15,715,188	1,009,759
Closing balance at 31 December 2021	434,184,704	32,864,049

NOTE 4: RESERVES

	2021	2020
(a) Reserves	US\$	US\$
36,394,260 Option Reserve (31 December 2020:82,547,879)	6,443,623	3,312,190
Foreign currency translation reserve	45,856	277,570
	6,489,479	3,589,760

(b) Options Reserve

	No.	US\$
Opening balance at 1 January 2020	91,224,527	2,102,496
Cancellation of options, 5 February 2020	(6,000,000)	-
Exercise of options, 10 February 2020	(847,977)	-
Cancellation of options, 10 February 2020	(652,023)	-
Cancellation of options, 20 April 2020	(2,425,000)	-
Issue of options, 11 May 2020, and 6 November 2020	750,000	14,675
Cancellation of options, 14 June 2020	(5,000,000)	-
Exercise of options, 18 June 2020	(3,700,000)	-

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PRELIMINARY CONSOLIDATED NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 4: RESERVES

(b) Options Reserve	No.	US\$
Cancellation of options, 18 June 2020	(210,000)	(859)
Issue of options, 18 June 2020	1,350,000	21,025
Issue of free attaching options, 18 June 2020	4,629,630	-
Cancellation of options, 30 June 2020	(2,666,659)	-
Exercise of options, 10 July 2020	(50,000)	-
Exercise of options, 22 July 2020	(425,000)	-
Exercise of options, 28 July 2020	(208,334)	-
Cancellation of options, 1 August 2020	(1,500,000)	-
Exercise of options, 20 August 2020	(1,125,001)	-
Issue of options, 20 August 2020	500,000	14,332
Issue of options, 20 August 2020	500,000	8,155
Exercise of options, 3 September 2020	(575,648)	-
Exercise of options, 10 September 2020	(803,299)	-
Issue of free attaching options under Deferred Placement, 10 September 2020	4,629,630	-
Exercise of options, 25 September 2020	(2,662,635)	-
Exercise of options, 8 October 2020	(1,000,000)	-
Issue of options to Lead Manager, 19 October 2020	5,000,000	487,979
Exercise of options, 28 October 2020	(12,790,443)	-
Issue of options under Employees Share Option Plan, 30 October 2020	6,650,000	350,163
Issue of options under Employees Share Option Plan, 30 October 2020	5,650,000	192,032
Issue of options under Employees Share Option Plan, 30 October 2020	5,650,000	59,944
Exercise of options, 12 November 2020	(1,843,889)	-
Issue of options, 12 November 2020	100,000	17,761
Issue of options, 12 November 2020	400,000	12,006
Vested value of consultant options issued 3 December 2019	-	32,481
Closing balance at 31 December 2020	82,547,879	3,312,190
Opening balance at 1 January 2021	82,547,879	3,312,190
Options issued on 17 March 2021	375,000	6,151
Issue of options on 19 March 2021	200,000	34,989
Issue of options on 3 May 2021	2,000,000	368,072
Options exercised on 5 May 2021	(200,000)	-
Options exercised on 5 May 2021	(9,169,931)	-
Options exercised on 5 May 2021	(10,410,000)	-
Options exercised on 5 May 2021	(1,012,500)	-
Options exercised on 5 May 2021	(375,000)	-
Options exercised on 10 May 2021	(6,333,334)	-

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PRELIMINARY CONSOLIDATED NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 4: RESERVES

(b) Options Reserve	No.	US\$
Cancellation of options on 10 May 2021	(125,001)	-
Options issued on 26 May 2021	375,000	6,151
Cancellation of options on 30 June 2021	(3,300,000)	-
Issue of options under Employees Share Option Plan, 29 July 2021 (Tranche 1)	1,085,000	239,372
Issue of options under Employees Share Option Plan, 29 July 2021 (Tranche 2)	1,250,000	237,781
Issue of options under Employees Share Option Plan, 29 July 2021 (Tranche 3)	1,250,000	237,781
Issue of options under Employees Share Option Plan, 29 July 2021 (Tranche 4)	1,250,000	64,248
Cancellation of options on 29 July 2021	(661,292)	-
Options issued on 6 August 2021	375,000	6,151
Issue of options on 17 July 2021	500,000	38,617
Issue of options on 6 August 2021	4,000,000	561,471
Issue of options on 6 August 2021	1,500,000	248,023
Options exercised on 6 August 2021	(4,590,000)	-
Options exercised on 6 August 2021	(375,000)	-
Options exercised on 6 August 2021	(4,000,000)	-
Options exercised on 6 August 2021	(337,500)	-
Options exercised on 6 August 2021	(483,873)	-
Options exercised on 10 August 2021	(250,000)	-
Cancellation of options on 14 September 2021	(500,000)	-
Options exercised on 14 September 2021	(250,000)	-
Options exercised on 27 October 2021	(250,000)	-
Options issued on 6 November 2021	375,000	6,151
Options exercised on 20 December 2021	(16,565,188)	-
Vesting of consultant options issued on 3 December 2019	-	12,151
Vesting of consultant options issued on 18 June 2020	-	19,344
Vesting of consultant options issued on 20 August 2020	-	20,481
Vesting of consultant options issued on 20 August 2020	-	23,714
Vesting of Employees Share Option Plan options issued on 30 October 2020	-	583,992
Vesting of consultant options issued on 12 November 2020	-	28,038
Vesting of CEO options (Tranche 1 - 4)	-	388,755
Cancellation of options on 31 December 2021	(1,500,000)	-
Closing balance at 31 December 2021	36,394,260	6,443,624

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PRELIMINARY CONSOLIDATED NOTES FOR THE YEAR ENDED 31 DECEMBER 2021

NOTE 4: RESERVES

(c) Foreign currency translation reserve

	US\$	US\$
Opening balance	277,569	(44,611)
Difference arising on translation	(231,713)	322,181
Balance at the end of the year	45,856	277,570

The foreign currency translation reserve records exchange differences arising on translation of a foreign controlled subsidiary.