

**VPCL Limited**  
**Appendix 4E**

**Preliminary final report**

**1. Company details**

Name of entity:	VPCL Limited
ABN:	65 149 197 651
Reporting period:	For the year ended 30 June 2020
Previous period:	For the year ended 30 June 2019

---

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

\$

Loss from continuing operations attributable to the owners of VPCL Limited up 702% to (1,426,405)

*Dividends*

No dividends were paid or declared during the year.

*Comments*

The loss for the consolidated entity after providing for income tax amounted to \$1,426,405 (30 June 2019: \$2,909,886 profit due to the sale of its main undertaking).

The final \$2.05m lump sum consideration of the sale of the Software-as-a-Service Learning Management Platform division to Damstra was received this year. This represented an agreed discount of \$92,313 for bringing forward the payment from the original September 2021 due date.

In October 2018, the Company sold its investment in NowForce for approximately USD\$1.05m. Sale proceeds of USD \$895m (AUD \$1.2M) were received in December 2018 with a further 15% held in escrow for 18 months. The USD\$158,152 escrow payment was received in June 2020 (AUD\$233,293). Further payments up to US\$660,000 may be received subject to the achievement of certain financial metrics. At the date of this report these metrics have not been met.

The Board has focused on monetizing assets to ensure it receives the maximum valuation on the VPCL shell as we enter the final stages of negotiations to acquire a new business and seek re-instatement to trading on ASX.

During FY2019 the company made a strategic investment of \$500,000 to acquire a minority interest in alternative lender and new Australian financial technology company, Lumi. The Board considered the risk of carrying an unlisted investment in this sector too high. In July 2020 the company divested its interest in Lumi for \$500,000, fully recovering the Company's investment.

VPCL received interest on its loan to Pro9 Global of \$44,227 during the period. Pro9 advised that it was forced to reduce costs and was impacted by delays to its business pipeline as a result of the COVID-19 pandemic. As a result, following negotiations between the parties, the Company agreed to settle its loan with Pro9 for AUD\$200,000 cash and 2.5 million shares in Pro9. VPCL has received maximum cash up front under the settlement agreement while also acquiring shares in Pro 9 that may increase in value as Pro9 delivers on its business strategy.

As at the date of this report, the Board is in advanced discussions on the acquisition of a new business for the Company, with the intention to commence the process for the re-instatement of the Company's shares to trading on ASX following the re-compliance with Chapters 1 and 2 of the ASX Listing Rules.

---

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	0.37	0.49

4. Control gained over entities

The consolidated entity did not gain control over any entity during the reporting period.

5. Loss of control over entities

During the year the consolidated group lodged the voluntary winding up of wholly owned subsidiaries, Dash Digital Pty Ltd and VPCA Pty Ltd

6. Details of associates and joint venture entities

The consolidated entity did not have any associates or joint venture entities during the reporting period.

**VPCL Limited**  
**Appendix 4E**

**7. Statement of profit or loss and other comprehensive income**  
**For the year ended 30 June 2020**

	<b>Consolidated</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Continuing Operations</b>		
Other income	14,132	771,744
Interest	50,523	
Foreign exchange gain	7,758	72,344
<b>Expenses</b>		
Compliance cost	(45,663)	(47,341)
Directors' fees	(156,000)	(172,949)
Depreciation	-	(43)
Employee benefits expense	-	(180,659)
Fair value loss	(400,000)	-
Finance charges on Damstra early settlement	(92,313)	-
Impairment expense	(373,034)	-
Marketing expense	(6,626)	-
Professional & consulting fees	(361,939)	(415,989)
Rent & utilities	(52,834)	(212,586)
Reversal of doubtful debt position	15,160	
Share-based payments	-	111,669
Travel expenses	(425)	(12,129)
Other expenses	(25,144)	(91,912)
<b>Profit / (Loss) before income tax expense from continuing operations</b>	<b>(1,426,405)</b>	<b>(177,851)</b>
Income tax benefit	-	-
<b>Profit / (Loss) after income tax expense from continuing operations</b>	<b>(1,426,405)</b>	<b>(177,851)</b>
<b>Discontinued Operations</b>		
Profit / (Loss) from discontinued operations	-	3,087,737
<b>Profit / (Loss) before income tax expense from discontinued operations</b>	<b>-</b>	<b>3,087,737</b>
Income tax benefit	-	-
<b>Profit / (Loss) after income tax expense for the year</b>	<b>(1,426,405)</b>	<b>2,909,886</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>(1,426,405)</b>	<b>2,909,886</b>
Loss for the year is attributable to:		
Continuing Operations	-	(0.02)
Discontinued Operations	-	0.27
Members of VPCL Limited	(0.13)	0.25

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

8. Statement of financial position  
As at 30 June 2020

	Consolidated	
	2020	2019
	\$	\$
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	3,343,249	2,204,988
Trade and other receivables	329,349	1,251,051
Other current assets	28,211	13,614
Non-Current Assets held for Sale	500,000	-
<b>Total Current Assets</b>	<b>4,200,809</b>	<b>3,469,663</b>
<b>Non-Current Assets</b>		
Receivables	-	1,309,248
Investments	-	900,000
<b>Total Non-Current Assets</b>	<b>-</b>	<b>2,209,248</b>
<b>Total Assets</b>	<b>4,200,809</b>	<b>5,678,912</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Trade and other payables	41,106	92,803
<b>Total Current Liabilities</b>	<b>41,106</b>	<b>92,803</b>
<b>Total liabilities</b>	<b>41,106</b>	<b>92,803</b>
<b>Net assets</b>	<b>4,159,703</b>	<b>5,586,108</b>
<b>Equity</b>		
Issued capital	33,216,771	33,216,771
Reserves	2,320,472	2,320,472
Accumulated losses	(31,377,540)	(29,951,135)
<b>Total Equity</b>	<b>4,159,703</b>	<b>5,586,108</b>

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

**9. Statement of changes in equity**  
**For the year ended 30 June 2020**

<b>Consolidated</b>	<b>Issued capital \$</b>	<b>Share Based Payment Reserve \$</b>	<b>Deferred Compensation Reserve \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2018	33,216,771	2,432,141	-	(32,861,022)	2,787,890
Profit after income tax expense for the year	-	-	-	2,909,886	2,909,886
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive income for the year	-	-	-	2,909,886	2,2909,886
<i>Transactions with owners in their capacity as owners:</i>					
Options Forfeited	-	(111,669)	-	-	(111,669)
<b>Balance at 30 June 2019</b>	<b>33,216,771</b>	<b>2,320,472</b>	<b>-</b>	<b>(29,951,135)</b>	<b>5,586,108</b>

<b>Consolidated</b>	<b>Issued capital \$</b>	<b>Share Based Payment Reserve \$</b>	<b>Deferred Compensation Reserve \$</b>	<b>Accumulated losses \$</b>	<b>Total equity \$</b>
Balance at 1 July 2019	33,216,771	2,320,472	-	(29,951,135)	5,586,108
Profit after income tax expense for the year	-	-	-	(1,426,405)	(1,426,405)
Other comprehensive income for the year, net of tax	-	-	-	-	-
Total comprehensive loss for the year	-	-	-	(1,426,405)	(1,426,405)
<i>Transactions with owners in their capacity as owners:</i>					
Options Forfeited	-	-	-	-	-
<b>Balance at 30 June 2020</b>	<b>33,216,771</b>	<b>2,320,472</b>	<b>-</b>	<b>(31,377,540)</b>	<b>4,159,703</b>

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

**VPCL Limited**  
**Appendix 4E**

**10. Statement of cash flows**  
**For the year ended 30 June 2020**

	<b>Consolidated</b>	
	<b>2020</b>	<b>2019</b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Receipts from customers	17,274	435,176
Payments to suppliers and employees	(723,571)	(2,471,283)
Income Tax – R&D rebate	-	161,597
Interest received	2,941	4,186
Cash receipts from other operating activities	84,139	78,695
<b>Net cash from operating activities</b>	<b>(619,217)</b>	<b>(1,791,629)</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of plant and equipment	-	-
Proceeds from sale of investments	2,283,294	2,718,647
Payment for other financial assets	(525,826)	(670,000)
<b>Net cash used in investing activities</b>	<b>1,757,468</b>	<b>(2,048,647)</b>
Net increase/(decrease) in cash and cash equivalents	1,138,251	257,019
Cash and cash equivalents at the beginning of the financial year	2,204,998	1,947,980
<b>Cash and cash equivalents at the end of the financial year</b>	<b>3,343,249</b>	<b>2,204,998</b>

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

**VPCL Limited**  
**Appendix 4E**  
**Preliminary final report**

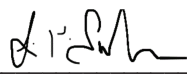
**11. Audit qualification or review**

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

The financial statements are in the process of being audited.

---

**12. Signed**

Signed  \_\_\_\_\_

Date: 31<sup>st</sup> August 2020

Leanne Graham  
Director  
Melbourne

---