

Appendix 4E Preliminary Final Report

Appendix 4E

Preliminary final report

1. Details of reporting period

Name of entity	DOTZ NANO LIMITED (ASX: DTZ)
ABN	71 125 264 575
Reporting Year	Year ended 31 DECEMBER 2020
Previous Corresponding Year	Year ended 31 DECEMBER 2019

2. Results for announcement to the market

Key information	12 months ended 31 December 2020	12 months ended 31 December 2019	Increase/ (decrease)	Amount change
	US \$	US \$	%	\$
Revenues from ordinary activities	375,811	33,731	1014%	342,080
Profit/(Loss) from ordinary activities after tax attributable to members	(3,968,996)	(3,746,564)	6%	(222,432)
Net Profit/ (Loss) for the period attributable to members	(3,968,996)	(3,746,564)	6%	(222,432)
Net tangible asset/(deficiency) \$ per share	0.014	0.004	250%	0.010

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

Refer to attached preliminary final report.
In the profit and loss and other comprehensive income certain comparative balances have been reclassified to ensure consistency with changes to current period presentation and classifications.

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

Dotz Nano Singapore Pte Ltd (subsidiary) was de-registered during the financial year.

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	
		2020	2019
Dotz Nano Ltd	Israel	100%	100%
Dotz Nano Singapore Pte Ltd	Singapore	-	100%

13. Commentary on results for period and explanatory information

Financial Review

Dotz Nano Limited had a loss for the year of US\$3,968,996 (2019: US\$3,746,564 loss).

The net assets of the Group have increased from US\$1,299,665 at 31 December 2019 to US\$5,205,896 at 31 December 2020.

As at 31 December 2020 the Group's cash and cash equivalents increased from a balance at 31 December 2019 of US\$1,371,275 to a balance of US\$5,259,087 and had working capital of US\$4,950,829 (2019: US\$1,106,596).

14. Audit

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



Bernard Brookes
Non-Executive Chairman

26 February 2021

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**PRELIMINARY CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
 INCOME FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 US\$	2019 US\$
Revenue from contract with customers		375,811	33,731
Cost of Sales		(264,881)	(21,041)
Gross profit		110,930	12,690
Research and development expenses		(634,112)	(784,844)
General, administrative, selling and marketing expenses		(2,119,086)	(2,215,927)
Share based compensation		(1,392,484)	(731,308)
Finance costs		65,756	(27,175)
Profit/(Loss) before income tax		(3,968,996)	(3,746,564)
Income tax expense		-	-
Profit/(Loss) for the year		(3,968,996)	(3,746,564)
Other comprehensive income:			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating foreign operations		322,180	(26,880)
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive income/(loss) for the year		(3,646,816)	(3,773,444)
Basic earnings/(loss) per share (cents per share)		(1.24)	(1.72)

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PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Note	2020 US\$	2019 US\$
CURRENT ASSETS			
Cash and cash equivalents		5,259,087	1,371,275
Trade and other receivables		189,478	144,592
Other assets		28,360	34,141
Inventory		14,475	4,312
TOTAL CURRENT ASSETS		5,491,400	1,554,320
NON-CURRENT ASSETS			
Trade and other receivables		-	27,914
Plant and equipment		214,958	283,239
Right to use assets		47,845	174,663
TOTAL NON-CURRENT ASSETS		262,803	485,816
TOTAL ASSETS		5,754,203	2,040,136
CURRENT LIABILITIES			
Trade and other payables		428,797	270,432
Provisions		38,684	28,967
Contract liability		33,757	
Lease liabilities		39,332	148,325
TOTAL CURRENT LIABILITIES		540,570	447,724
NON-CURRENT LIABILITIES			
Borrowings		-	257,481
Lease liabilities		7,737	35,266
TOTAL CURRENT LIABILITIES		7,737	292,747
TOTAL LIABILITIES		548,307	740,471
NET ASSETS		5,205,896	1,299,665
SHAREHOLDERS' EQUITY			
Issued capital	2	28,971,254	22,627,901
Reserves	3	3,589,759	2,057,885
Accumulated losses		(27,355,117)	(23,386,121)
SHAREHOLDERS' EQUITY		5,205,896	1,299,665

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**PRELIMINARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 FOR THE YEAR ENDED 31 DECEMBER 2020**

	Issued Capital	Option Reserve	Foreign Currency Reserve	Accumulated Losses	Total
	US\$	US\$	US\$	US\$	US\$
Balance at 1 January 2019	18,762,675	1,626,095	(17,731)	(19,639,557)	731,482
Loss for the year	-	-	-	(3,746,564)	(3,746,564)
Other comprehensive loss	-	-	(26,880)	-	(26,880)
Total comprehensive loss for the year	-	-	(26,880)	(3,746,564)	(3,773,444)
Transactions with owners, recognised directly in equity					
Issue of shares	3,597,954	-	-	-	3,597,954
Share based payments	267,272	476,401	-	-	743,673
Balance at 31 December 2019	22,627,901	2,102,496	(44,611)	(23,386,121)	1,299,665
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	4,844,368	-	-	-	4,844,368
Exercise of options	1,316,195	-	-	-	1,316,195
Share based payments	182,790	1,209,694	-	-	1,392,484
Balance at 31 December 2020	28,971,254	3,312,190	277,569	(27,355,117)	5,205,896

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**PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER
 2020**

	Note	2020 US\$	2019 US\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		394,461	34,792
Payments to suppliers and employees		(2,828,360)	(2,659,687)
Interest paid		(14,228)	(42,917)
Interest received		460	428
Net cash used in operating activities		(2,447,667)	(2,667,384)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of plant and equipment		(20,168)	(34,739)
Proceeds from investments		-	25,225
Payment for intellectual property		-	(15,000)
Net cash used in investing activities		(20,168)	(24,514)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net Proceeds for the issue of shares		4,835,041	3,597,954
Proceeds from exercise of options		1,320,281	-
Grant from BIRD		-	43,484
Lease payments		(144,896)	(100,165)
Net cash from financing activities		6,010,426	3,541,273
Net increase/ (decrease) in cash and cash equivalents		3,542,591	849,375
Cash and cash equivalents at the beginning of the financial year		1,371,275	508,572
Foreign exchange		345,221	13,328
Cash and cash equivalents at the end of the financial year		5,259,087	1,371,275

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PRELIMINARY CONSOLIDATED NOTES FOR THE YEAR ENDED 31 DECEMBER 2020

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: ISSUED CAPITAL

	2020	2019
	US\$	US\$
(a) Share Capital		
376,382,378 fully paid ordinary shares (31 December 2019: 295,004,274)	28,971,254	22,627,901

(b) Reconciliation of Share Capital

	No.	US\$
Opening balance at 1 January 2019	180,714,622	18,762,675
Shares issued on conversion of Convertible Loan on 15 February 2019	9,791,632	554,833
Shares issued to the CEO on 15 February 2019*	1,500,000	86,058
Shares issue on conversion of Convertible Loan on 19 February 2019	875,000	49,917
Shares issued under the Placement on 7 May 2019	19,750,000	830,804
Shares issued under the Placement on 8 May 2019	5,250,000	220,658
Shares issued under the Cleansing Prospectus on 8 May 2019	100	4
Shares issued in lieu of cash payment on 8 May 2019	283,672	13,730
Shares issued under the Placement on 29 July 2019	16,129,045	690,971
Shares issued under Cleansing Prospectus on 29 July 2019	100	4
Shares issued in lieu of cash payment on 12 September 2019	300,000	11,324
Exercised of unquoted options expiring on 1 October 2021	695,000	-
Shares issued to Lead Manager on 12 September 2019	1,000,000	42,551
Shares issued under Placement on 26 November 2019	55,000,003	1,349,931
Shares issued to Consultant on 8 December 2019	2,500,000	70,130
Shares issued to CEO on 31 December 2019	1,000,000	43,479
Shares issued under Cleansing Prospectus on 31 December 2019	100	3
Shares issued to Employee on vesting options on 31 December 2019	215,000	-
Less: capital raising fees	-	(99,171)
Closing balance at 31 December 2019	295,004,274	22,627,901

*Subject to voluntary holding lock until 15 February 2020

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	-

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PRELIMINARY CONSOLIDATED NOTES FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 2: ISSUED CAPITAL

(b) Reconciliation of Share Capital	No.	US\$
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
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

NOTE 3: RESERVES

	2020	2019
(a) Reserves	US\$	US\$
82,547,879 Option Reserve (31 December 2019: 91,224,527)	3,312,190	2,102,496
Foreign currency translation reserve	277,569	(44,611)
	3,589,759	2,057,885

(b) Options Reserve

	No.	US\$
Opening balance at 1 January 2019	40,325,000	1,626,095
Issue of free attaching options on conversion of Convertible Loan on 15 February 2019	2,447,909	-
Issue of options to directors on 8 February 2019	3,000,000	103,780
Issue of options to employee on 8 February 2019	1,000,000	31,676
Issue of free attaching options on conversion of Convertible Loan on 19 February 2019	218,750	-
Issue of free attaching options under the Placement on 7 May 2019	9,875,005	-
Issue of free attaching options under the Placement on 8 May 2019	2,625,000	-
Issue of options to Lead Manager on 19 June 2019	5,000,000	122,302
Issue of free attaching options under the Placement on 29 July 2019	8,064,526	-
Broker options expired on 8 August 2019	(10,000,000)	-
Issue of options under Employees Share Option Plan on 22 August 2019	210,000	849
Employees Share Option Plan cancellation	(1,465,000)	(5,625)
Exercised options under Employees Share Option Plan	(695,000)	-
Issue of options to Lead Manager on 31 October 2019	10,000,000	26,110

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PRELIMINARY CONSOLIDATED NOTES FOR THE YEAR ENDED 31 DECEMBER 2020

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NOTE 3: RESERVES

	No.	US\$
(b) Options Reserve		
Options expired on 31 October 2019	(5,500,000)	-
Issue of options to consultant on 3 December 2019	10,000,000	14,344
Issue of placement options	18,333,337	-
Conversion of options to shares on 31 December 2019	(215,000)	-
Option cancellation on 31 December 2019	(1,000,000)	-
Expired of Tranche 3 options under Employees Share Option Plan on 27 November 2018	(1,000,000)	-
Vested Tranche 1 options under Employees Share Option Plan on 21 January 2019 and 22 August 2019	-	30,823
Vested Tranche 2 options under Employees Share Option Plan on 27 November 2018	-	138,232
Vested Tranche 3 options under Employees Share Option Plan on 27 November 2018	-	13,910
Closing balance at 31 December 2019	91,224,527	2,102,496
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)	-
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)	-

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PRELIMINARY CONSOLIDATED NOTES FOR THE YEAR ENDED 31 DECEMBER 2020

NOTE 3: RESERVES

	No.	US\$
(b) Options Reserve		
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	-	32,433
Closing balance at 31 December 2020	82,547,879	3,312,142

	2020	2019
	US\$	US\$
(c) Foreign currency translation reserve		
Opening balance	(44,611)	(17,731)
Difference arising on translation	322,180	(26,880)
Balance at the end of the year	277,569	(44,611)

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