

29th April 2019

ASX Announcement

TYMLEZ: 1st Quarter Update – strong growth in partnership network

TYMLEZ Group Limited (“TYMLEZ” or the “Company”) (ASX:TYM) is pleased to provide the Appendix 4C for the March 2019 quarter, along with an operational update.

Key financial and operational details for the quarter are as follows:

- \$189k in Cash Receipts for the March quarter
- \$204k sales orders from 2018 to be recognised in 2019 not included in Q1 cash receipts
- \$199k of new orders received in Q1 not yet reflected in Q1 cash receipts
- Strong balance sheet with cash of \$3.338M as at 31st March 2019
- Continued growth in key customers and channel partners











TYMLEZ, a leading enterprise-grade blockchain technology Company is pleased to report cash receipts of \$189k for the March quarter. At the end of the period the Company also has \$204k of sales orders from 2018 that will be recognised during the remainder of 2019. Additionally, the Company also received new orders for \$199k in Q1 that have not yet been reflected in cash receipts for the period but are expected to be recognised in 2019.

Partner and Direct Customer Engagement continues to grow - use cases have increased to 28

TYMLEZ is selling application accelerators in four key categories;

1. Document Sharing,
2. Know Your Customer (KYC) onboarding and credential tracking,
3. Tracking and Tracing digital assets and
4. Loyalty Reward token exchange.

In addition, TYMLEZ direct engagement extends the functionality of our platform adding more and more application accelerators over time. The direct engagement sales effort creates a “pull effect” and we now have 28 use cases, an increase of 5 in the quarter.

Use Case		Vertical Focus
Asset Tracking Compliance	 	Transportation & Logistics Government Manufacturing
Secure Document Handling & Sharing	 	Transportation & Logistics Insurance Government Legal Healthcare Utilities
KYC HR Onboarding	  	NGO Hospitality Insurance Government
Market Settlement		Utilities (Energy) Trading
Loyalty & Rewards (Token)	 	Hospitality Retail Exchange

TYMLEZ Partner Network expansion

During the period our partner network and geographic reach has continued to increase. We have seen growth in both our software suppliers and technology vendors. Our platform is complementary to SUSE, HPE and EPI-Use as we have seen in our new and expanding South Africa network. Large partners like Boston Consulting (Platinion) and KPN also bring together large transformational projects and are equally a priority in our sales effort.

	South Africa	Benelux	Central Europe	United Kingdom	United States	Middle East	Asia Pacific
Software Suppliers (Technology Vendors)	3	5	4	3	2	2	1
Value Added Re-sellers	8	5	1	2	1	1	
System Integrators	3	1					
Use cases	2	8		5			1



National South African Government contracts

The Company, in conjunction with BrightSolver Capital Ltd & Tymlez consulting partner Nascent Group, were awarded a national project with the South Africa National public sector entity as part of a three-year agreement, delivering technology enabled services to citizens.

The TYMLEZ Blockchain Platform has been selected as the foundation for securing and safeguarding the Personally Identifiable Information (PII) of anyone using a new South Africa National public sector service. This will be the largest Blockchain project for South Africa, and the TYMLEZ Platform ensures that the South African Government and associated national entities can easily deliver secure PII to any Public or Private Sector Stakeholders.

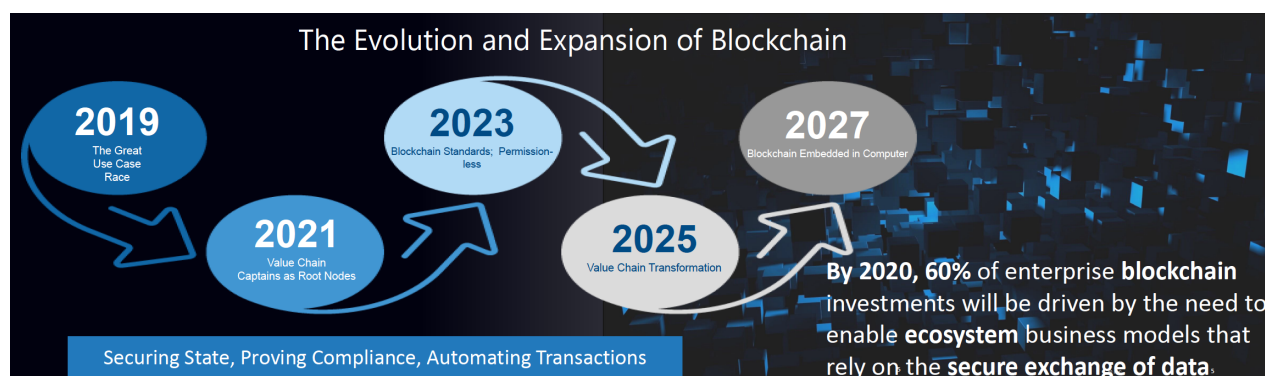
The Company also expanded the team in South Africa with the appointment of Marcus Mudd, who is now in charge of South Africa and will lead our business there to further accelerate growth of our business behind this great momentum.

AUSTRADE Consensus

The Company has been selected by The Australian Government Department of Industry, Innovation and Science to attend Austrade's Mission to Consensus in New York in May 2019. TYMLEZ was selected as one of the 30 companies to receive funding to attend this important event. Companies were selected based on their Proof of Concept and preparedness to take advantage of business opportunities at Consensus. Applications were also reviewed under Austrade's mission to contribute to the prosperity of Australia.

CEO of TYMLEZ, Michael Reh, said: "We are very happy with our progress in the quarter on both use case expansion and our ever growing partnership network. The South African Government projects are very exciting not only in terms of use case expansion but also the growing confidence of our expanding network partners. We are looking forward to seeing accelerated growth from this and taking these excellent use cases with us to Consensus with the Australian Government mission we have been selected to join.

As we saw from IDC² at the CIO Summit South Africa, Blockchain evolution is dependent on driving use cases and we believe TYMLEZ is leading the market in this at present."



According IDC² 2019 and 2021 will be the "great use case race" for the evolution and expansion of blockchain.

TYMLEZ Platform Product Updated to Version 2

The Company has finished the development of the new version 2.0 and this has now been released into a BETA program. The main features of the new release are the support of BFT (Byzantine Fault-Tolerant), improved user experience especially for Developers, and extended support for various deployment scenarios supporting Kubernetes, Docker and Vagrant. All existing business scenarios will be available like Tracking and Tracing, HR Onboarding, Secure Document Handling, Exchange of digital Ownership rights besides various technology updates.

Blockchain Addressable market \$US176 Billion by 2025, \$3.1 Trillion by 2030¹

TYMLEZ blockchain designed for business, creates a permanent record, secure and unalterable from a decentralised network structure enabling a unique asset to be transferred over the internet without the need for a middle-centralised agent. According to Gartner the addressable market for blockchain applications will grow from \$US175 Billion in 2025 to \$3.1 Trillion in 2030. TYMLEZ is well positioned in the short term to access this market through its growing partner ecosystem leveraging existing and new use cases.

1. Gartner 2018
2. IDC CIO Summit South Africa 2019

For further information:

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Company Secretary
(03) 9191 0135

ABOUT THE TYMLEZ GROUP LIMITED
ACN 622 817 421
ASX:TYM

Blockchain designed for business. TYMLEZ provides a highly scalable, multi-tenant, enterprise-grade smart contract blockchain platform which can be deployed in minutes and / or implemented via partners within an enterprise or across a consortium. We bring commercial-grade blockchain technology to the enterprise. We do this by delivering a scalable platform which enables accelerated development, management, and deployment of enterprise blockchain applications.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Name of entity:

Tymlez Group Limited

ABN:

37 622 817 421

Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	95	95
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(56)	(56)
(d) leased assets	(7)	(7)
(e) staff costs	(173)	(173)
(f) administration and corporate costs	(543)	(543)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(5)	(5)
1.6 Income taxes received/(paid)	94	94
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(595)	(595)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property – development costs	(513)	(513)
(e) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter	Year to date (3 months)
		\$A'000	\$A'000
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property – development costs	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(513)	(513)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	(2)	(2)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(2)	(2)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	4,482	4,482
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(595)	(595)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(513)	(513)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(2)	(2)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	(34)	(34)
4.6	Cash and cash equivalents at end of quarter	3,338	3,338

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,338	4,482
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,338	4,482

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

**Current quarter
\$A'000**

150

-

Remuneration of directors

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

**Current quarter
\$A'000**

NIL

NIL

N/A

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	NIL	NIL
8.2 Credit standby arrangements	NIL	NIL
8.3 Other (please specify)	NIL	NIL
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
N/A		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	505
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	297
9.4 Leased assets (including rent)	33
9.5 Staff costs	407
9.6 Administration and corporate costs	323
9.7 Other (provide details if material)	85
9.8 Total estimated cash outflows	1,650

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	N/A	N/A
10.2 Place of incorporation or registration	N/A	N/A
10.3 Consideration for acquisition or disposal	N/A	N/A
10.4 Total net assets	N/A	N/A
10.5 Nature of business	N/A	N/A

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
Company secretary

Date: 29 April 2019

Print name: Justyn Stedwell