Tymlez Group Limited

ABN 37 622 817 421

Consolidated Financial Statements

For the Year Ended 31 December 2020

Tymlez Group Limited

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For the Year Ended 31 December 2020

Tymlez Group Limited

Corporate Governance Statement

For the Year Ended 31 December 2020

Tymlez Group Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Tymlez Group Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council, to the extent that such principles and recommendations are applicable to an entity of the size and structure of the Company.

The Company has formulated its own Corporate Governance policies and practices using the ASX Principles and Recommendations as a guide.

The Board will review on an ongoing basis, the corporate governance policies and structures that the Company has in place to ensure that these are appropriate for the size and structure of the Company and nature of its activities, and that these policies and structures continue to meet the corporate governance standards that the Board is committed to.

The 2020 corporate governance statement is dated as at 31 December 2020 and reflects the corporate governance practices in place throughout the 2020 financial year. The 2020 corporate governance statement was approved by the Board on 31 March 2021. A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement which can be viewed at https://www.tymlez.com/governance/ and should be read in conjunction with the recent Company announcements on the ASX website.

The directors present their report, together with the consolidated financial statements of the Group, being Tymlez Group Limited ("the Company") and its controlled entities, for the financial year ended 31 December 2020.

Information on directors

The names, qualifications, experience and special responsibilities of each person who has been a director during the year and to the date of this report are:

Daniel O'Halloran	(Appointed 2 April 2020)
Experience	Daniel is an experienced board member, energy industry executive and investor, with more than 13 years experience consulting in the transmission power grid sector. As founder and CEO of a number of successful energy transmission companies, he has worked closely with major utility asset owners in Australian, Canadian and American markets to maximise grid and green energy integration. Daniel's investment strategies are deeply driven by innovation, sustainability and positive social impact, with current investments and advisory roles that sit mainly in renewable energy, bio tech, agri tech and AI.
Interest in shares and options	11,300,321 ordinary shares; 1,136,363 listed options (TYMO) exercisable at $0.065 expiring 31 December 2023
Special responsibilities	Appointed Non-Executive Director on 2 April 2020; Appointed Chief Executive Officer and Managing Director on 1 October 2020
Other current directorships in listed entities	N/A
Other directorships in listed entities held in the previous three years	N/A

Directors' Report

For the Year Ended 31 December 2020

Information on directors (continued)

Wayne Clay	(Appointed 14 September 2020)
Qualifications	Masters degree in Project Management from USQ; Post Graduate Certificate in Business; Executive Leadership training from UNSW; Associate Degree in Electrical Engineering; Member of Australian Institute of Company Directors (MAICD); Certified Porfolio Executive (CPPE) - Australian Institute of Project Management
Experience	Wayne is the current CEO of TGOOD Australia. TGOOD is one of the largest providers of prefabricated sub-stations and Electric Vehicle (EV) infrastructure. As TGOOD's CEO, Wayne has led the development of the TGOOD Australia business from the delivery of its very first projects through to its first major EPC project in the renewable energy and mining sectors. Wayne also leads the TGOOD Global Project Management Office (PMO), ensuring and enabling delivery expertise and business improvement process right across the TGOOD Global portfolio. Prior to this position, Wayne has held numerous senior Executive General Manager and Director positions in both Europe and Australia, these include: - Leading the strategic planning and delivery of Australia's largest sporting event since the Sydney Olympics, the City of Gold Coast's 2018 Commonwealth Games Program (valued at over $2b), as General Manager - Program Delivery; - State Operations Manager - Tenix/Downer EDI - leading the operational delivery of Downer EDI's power project portfolio ($600m+) across both Queensland and South Australia; - Leading and delivering some of the very first electricity utility, energy storage, renewable energy and demand management projects and technologies that connected to the National Energy Market. With a strong entrepreneurial flair, Wayne has also held Business Development and Director positions in several start-up energy companies both in Australia and Europe.
Interest in shares and options	N/A
Special responsibilities	Non-Executive Chairman
Other current directorships in listed entities	N/A
Other directorships in listed entities held in the previous three years	N/A

Information on directors (continued)

Jitze Jongsma	
Qualifications	Masters degree in Business Economics, Erasmus University Rotterdam; Post-masters degree in Auditing, Erasmus University Rotterdam
Experience	Jitze started his career as an auditor and a management consultant at KPMG. After that, he founded a mid-sized auditing and consulting company. In 2011, Jitze has founded an investment company that helped scalable companies to become successful. Jitze is involved with Tymlez since late 2016.
Interest in shares and options	5,456,250 ordinary shares; 90,000 unlisted options
Special responsibilities	Executive Director; Chief Financial Officer
Other current directorships in listed entities	N/A
Other directorships in listed entities held in the previous three years	N/A

Tim Ebbeck	(Appointed 15 October 2020)
Qualifications	Bachelor of Economics, Macquarie University; Fellow of CPA Australia; Fellow of the Institute of Managers and Leaders; and Graduate of the Australian Institute of Company Directors
Experience	Tim is presently a non-executive director of Workforce Management and Education software company ReadyTech Limited (ASX: RDY), an advisor to intelligent personalisation company MyWave.AI, and principal of Ebbeck TIG Consulting. Previously Tim was CEO of SAP in Australia and New Zealand, Chief Commercial Officer of SAP in Asia Pacific Japan, CEO of Oracle in Australia and New Zealand, and CEO of software robotic process automation leader, Automation Anywhere in Australia and New Zealand. Tim has also served on the boards of the Museum of Applied Arts and Sciences in NSW, IXUP Ltd, GEO Ltd, Nextgen Distribution Pty Ltd, CPA Australia, and Nvoi Limited.
Interest in shares and options	45,500 ordinary shares
Special responsibilities	Non-Executive Director; Chair of Audit and Risk Committee; Chair of Nominations and Remuneration Committee
Other current directorships in listed entities	ReadyTech Limited (ASX: RDY)
Other directorships in listed entities held in the previous three years	IXUP Limited (ASX: IXU) - Resigned November 2018; GeoOp Limited (NZX: GEO) - Resigned November 2018

Directors' Report

For the Year Ended 31 December 2020

Information on directors (continued)

Reinier van der Drift	(Resigned 14 December 2020)
Qualifications	Bachelor of Information Technology, The Open Universiteit of the Netherlands
Experience	Reinier is a technology entrepreneur, founding his first company in 1994. Reinier has been a leader in the ICT industry since 1984. He was the CEO and founder of Authasas which was acquired by Micro Focus in 2015.
Interest in shares and options	50% of 65,404,233 ordinary shares held by Tyhold 2 B.V. a company jointly owned by Michael Reh and Reinier van der Drift; 6,024,432 ordinary shares; 150,000 unlisted options; 568,182 listed options as at the date of resignation
Special responsibilities	Previous Executive Director; Chief Executive Officer and Co-Founder
Other current directorships in listed entities	N/A
Other directorships in listed entities held in the previous three years	N/A

Niv Dagan	(Resigned 14 September 2020)
Qualifications	Bachelor of Commerce (Honours of Finance), University of Melbourne; RG146, KAPLAN ASX Derivates 1+2
Experience	Prior to founding CoPeak in 2013, Niv headed up HC Securities; spent three years growing its capital markets division and worked on the wholesale desk at Macquarie Bank, servicing a wide range of institutional, intermediary and offshore clients.
Interest in shares and options	17,079,875 ordinary shares; 1,050,000 unlisted options; 1,538,740 listed options as at the date of resignation
Special responsibilities	Previous Non-Executive Director
Other current directorships in listed entities	N/A
Other directorships in listed entities held in the previous three years	N/A

Justyn Peter Stedwell	(Resigned 2 April 2020)
Qualifications	Bachelor of Commerce (Economics and Management), Monash University; Graduate Diploma of Accounting , Deakin University; and Graduate Diploma in Applied Corporate Governance, Governance Institute of Australia
Experience	Justyn is a professional company secretary, with over 11 years' experience as a company secretary of ASX-listed companies, including biotechnology, agriculture, mining and exploration, information technology and telecommunications.
Interest in shares and options	10,000 unlisted options
Special responsibilities	Company Secretary; Previous Non-Executive Director
Other current directorships in listed entities	I-Global Holdings Limited (NSX: IGH); Lifespot Health Ltd (ASX: LSH); Hexagon Energy Materials Limited (ASX: HXG); Fertoz Limited (ASX: FTZ)
Other directorships in listed entities held in the previous three years	ECS Botanics Holdings Ltd (ASX: ECS) - Formerly known as Axxis Technology Group Ltd (ASX: AYG) (Resigned 15 July 2019)

Directors' Report

For the Year Ended 31 December 2020

Information on directors (continued)

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Company secretary

The following person held the position of Company secretary at the end of the financial year:

Justyn Peter Stedwell has been the company secretary since 13 November 2017. Justyn's qualifications and experience is included under "Information on Directors" above.

Principal activities and significant changes in nature of activities

The Group provides a highly scalable, multi-tenant, enterprise-grade smart contract blockchain platform which can be deployed and/or implemented via partners within an enterprise or across a consortium. The Group brings commercial-grade blockchain technology to the enterprise by delivering a scalable platform which enables accelerated development, management, and deployment of enterprise blockchain applications algorithms.

There were no significant changes in the nature of the Group's principal activities during the financial year, other than those outlined in "Significant Changes in State of Affairs" below.

Operating results

The consolidated loss of the Group after providing for income tax amounted to $3,654,032 (2019: $6,719,585).

Dividends paid or recommended

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Review of operations

During the period from 1 January to 31 December 2020, the Group has focused on refining its strategic approach to market, completing important product development stages, and building pipeline in its focused markets.

The Group has focused its development effort on the components of the solution needed for energy market applications, whilst constantly improving the core functionality of the platform. The platform is now market ready. Of note, with the focus on the energy and renewables market, the development work has added crucial capabilities to the platform to run marketplaces at scale such as divisible assets, contract to contract calls and multi-signatures capabilities.

Pipeline development and contract closure was impacted by COVID-19 in 2020. To mitigate the financial impact, the Group was awarded a COVID-19 bridge loan from the Dutch government. The €375k loan carries an interest rate of 3% per annum and repayments will commence 12 months after it was awarded in 48 monthly instalments.

During the year, the Group necessarily focused on operational costs which, since Q4 of 2019, have decreased by 45%. The Group has also completed the simplification of legal entities including the transfer of all European operations to the Dutch entity, the dormancy of the German entity, and the dissolution of the USA entity. In addition Tymlez Pty Ltd was established to focus on energy markets in Australia and globally. There are significant opportunities to be explored by Tymlez Pty Ltd beginning in the Asia/Pacific Region. The drive into these markets leverages the strengths of the platform in enabling a better and more efficient way to trade and improve use of green energy. This assists our customers, and the world, move closer to achieving a zero carbon dioxide emissions objective. Many Governments have announced a “Green Recovery” post COVID-19 and the Group believes it is strategically placed for growth with our market offering.

Review of operations (continued)

The focused strategic direction of the Group is leveraging the platform into the growing energy market. With this in mind, the Group announced the following:

- Energy industry commercialisation expert, Mr Daniel O'Halloran, took over as CEO of Tymlez Group Ltd on 1 October 2020;

- On 14 September 2020, Energy industry leader, Mr. Wayne Clay, was appointed as chairman and non-executive director of Tymlez Group Ltd; and

- On 15 October 2020, the Group announced the appointment of technology industry leader, Mr. Tim Ebbeck, as a non-executive director.

- On 2 November 2020, the Group signed an MoU with TGOOD to explore the opportunity to co-develop an technology Platform for the management and control of TGOOD's Electric Vehicle (EV) charging Infrastructure and Battery Energy Storage Systems (BESS); and

- On 30 October 2020 the Group announced it had applied for a Government grant with the TROEF (Transparent Reduction of CO2 and Optimisation of Energy in an Ecosystem of Flexibility) consortium comprising leading Dutch enterprises and institutions to develop an "Internet of Energy" solution. In the consortium TYMLEZ is responsible for the development of a carbon credit trading solution utilising its existing energy marketplace and its blockchain technology. The grant was successfully awarded in early 2021. The initial project grant for the Group is €675,000 over 4 years to co-develop and test a decentralised energy sharing platform and a carbon credit trading platform in a live environment. The grant covers project costs during development, but excludes any license and consulting revenue for follow-on large scale roll outs. Those are envisaged to occur from 2022 and onwards.

The Group has undertaken a great deal of work in 2020 to put it in a strong position to drive revenue in 2021 and beyond.

Significant changes in state of affairs

The following significant changes in the state of affairs of the parent entity occurred during the financial year:

i) The Group successfully completed a dual listing on the Frankfurt Stock Exchange in September 2020.

ii) Issue of 1,910,505 fully paid ordinary shares at $0.044 each with one free attaching listed option with an exercise price of $0.065 expiring on 31 December 2023 (TYMO) on completion of a rights issue;

iii) Issue of 516,000 fully paid ordinary shares at $0.044 each with one free attaching listed option with an exercise price of $0.065 expiring on 31 December 2023 (TYMO) as settlement of an outstanding debt owing to Peak Asset Management Pty Ltd ("Peak");

iv) Issue of 2,000,000 fully paid ordinary shares at $0.009 each in lieu of directors fees;

v) Issue of 6,412,500 fully paid ordinary shares at $0.008 each in lieu of director remuneration;

vi) Issue of 568,182 fully paid ordinary shares at $0.044 each with one free attaching listed option with an exercise price of $0.065 expiring on 31 December 2023 (TYMO) under private placement;

vii) Issue of 102,125,126 ordinary shares at $0.008 per share upon conversion of convertible notes;

viii) Issue of 6,704,098 ordinary shares at $0.008 each as settlement of an outstanding debt owing to Peak Asset Management Pty Ltd ("Peak");

Significant changes in state of affairs (continued)

ix) Issue of 24,927,307 fully paid ordinary shares at $0.11 each with one free attaching listed option for every two ordinary shares with an exercise price of $0.065 expiring on 31 December 2023 (TYMO) under private placement; and

x) Issue of 1,000,000 fully paid ordinary shares at $0.042 each as settlement of an outstanding debt owing to a consultant.

Changes in the controlled entities and divisions:

xi) On 9 July 2020, Tymlez Pty Ltd (previously known as Tymlez Energy Pty Ltd) was incorporated. Tymlez Pty Ltd is a wholly-owned subsidiary of the parent Company.

Matters or circumstances arising after the end of the period

On 30 October 2020, the Group announced it had signed a consortium agreement with leading Dutch Enterprises and Institutions (the consortium project is named "TROEF" - Transparent Reduction of CO2 and Optimisation of Energy in an Ecosystem of Flexibility) to develop an "Internet of Energy" solution. This coorperation agreement has a term of 4 years and was subject to the award of a Dutch Government grant. On 15 February 2021, the consortium received Dutch Government funding approval and the initial project grant for the Group is €675,000 over 4 years to develop and test the carbon credit trading platform in a live environment. The grant covers project costs during development, but excludes any license and consulting revenue for follow on large scale roll outs. These are envisaged to occur from 2022 and onwards.

Mr Stephen Daniel Friel resigned as Chief Technology Office of the Group on 8 March 2021.

On 10 March 2021, the Board agreed on the following in respect of the director service agreements:

- The current share-based fee compensation arrangements with Mr Wayne Clay was cancelled with effect from 1 March 2021. Further, with effect from 1 March 2021, the Board resolved that the Chairman (currently, Mr Clay) receive a fee of A$85,000 cash or, subject to Mr Clay's agreement and shareholder approval, may be paid in shares. The Board resolution has been accepted by Mr Clay whom has also agreed to waive all director fees previously agreed to be paid in equity up to 1 March 2021.

- With effect from 1 March 2021, the Board resolved that the Non-Executive Director fee for Mr Ebbeck be increased to A$75,000 in cash per year or, subject to individual agreement and shareholder approval, may be paid in shares. The Board resolution has been accepted by Mr Ebbeck whom has also agreed to waive all director fees previously agreed to be paid in shares up to 1 March 2021.

- From 1 April 2021, the Board resolved that Mr Daniel O'Halloran's remuneration be changed to A$250,000 per year. The Board noted the current importance of maintaining Mr O'Halloran as CEO and noted his capacity to earn higher remuneration elsewhere.

Further, the Directors have agreed to defer realignment in remuneration until the Group's cash position is improved.

The COVID-19 pandemic has created unprecedented economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the Group at the reporting date. As responses by government continue to evolve, management recognises that it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on the Group’s operations, its future results and financial position. Subsequent to the end of the financial year, the state of emergency in Victoria was extended until 9 April 2021. Refer to Note 27 to the financial statements for further information regarding the impact of COVID-19 on the Group's operations.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in future financial years.

Directors' Report
For the Year Ended 31 December 2020

Future developments and results

Likely developments in the operations of the Group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Group.

Environmental matters

The Group's operations are not regulated by any significant environmental regulations under a law of the Commonwealth or of a state or territory.

Meetings of directors

During the financial year, 12 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Daniel O'Halloran (Appointed 2 April 2020)	10	10
Wayne Clay (Appointed 14 September 2020)	6	6
Jitze Jongsma	12	12
Tim Ebbeck (Appointed 15 October 2020)	4	4
Reinier van der Drift (Resigned 14 December 2020)	11	11
Niv Dagan (Resigned 14 September 2020)	6	6
Justyn Peter Stedwell (Resigned 2 April 2020) *	2	2

* In the capacity as a director of the Company.

Indemnification and insurance of officers and auditors

On 23 November 2020, the Group renewed its directors and officers insurance. This policy remains in force at the date of this Report. No indemnities have been given for any person who is, or has been, an officer of the Group.

The directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses insurance contracts as such disclosure is prohibited under the terms of the contract.

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor.

During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

Options

At the date of this report, the unissued ordinary shares of Tymlez Group Limited under option are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
13 December 2018	11 December 2022	$0.35	2,000,000
16 January 2019	15 March 2021	$0.35	930,000
14 May 2019	15 March 2021	$0.35	300,000
30 July 2019	15 March 2021	$0.35	90,000
15 November 2019	31 December 2023	$0.07	13,863,638
03 December 2019	31 December 2023	$0.07	1,204,544
27 December 2019	31 December 2023	$0.07	1,910,505
29 May 2020	31 December 2023	$0.07	1,084,182
14 July 2020	31 December 2023	$0.07	1,500,000
11 August 2020	25 August 2023	$0.06	1,770,000
04 September 2020	31 December 2023	$0.07	12,463,706
14 September 2020	31 December 2023	$0.07	750,000
			37,866,575

No shares were issued on the exercising of options during the year.

Details of option issues

Option holders do not have any rights to participate in any issues of shares or other interests in the Company or any other entity.

For details of options issued to directors and other key management personnel as remuneration during the year ended 31 December 2020, refer to the remuneration report.

Proceedings on behalf of Company

No person has applied for leave of court under Section 237 of the Corporations Act 2001 to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Remuneration report (audited)

The remuneration report, which has been audited, outlines the Director and executive remuneration arrangements for the Group, in accordance with the requirements of the *Corporations Act 2001* and its Regulations.

Key management personnel are those having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly, including all directors.

Principles used to determine the nature and amount of remuneration

The performance of the Group depends upon the quality of its Directors and Executives. To prosper, the Group must attract, motivate and retain highly skilled Directors and Executives. To that end, the Group embodies the following principles in its remuneration framework:

- Provide competitive rewards to attract high calibre executives;

Remuneration report (audited) (continued)

Principles used to determine the nature and amount of remuneration (continued)

- Focus on creating sustained shareholder value;

- Placing a portion of executive remuneration at risk, dependent upon meeting predetermined performance benchmarks; and

- Differentiation of individual rewards commensurate with contribution to overall results and according to individual accountability, performance and potential.

The Board's policy for determining the nature and amount of remuneration for Key Management Personnel ("KMP") for the Group is based on the following:

- The remuneration policy is to be developed and approved by the Board after professional advice is sought from independent external consultants (where applicable);

- All executive KMP receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits and performance incentives, where appropriate;

- Performance incentives (in the form of a cash bonus) are generally only paid once predetermined key performance indicators (KPIs) have been met;

- Apart from those detailed in this report no other share based/options incentives have been offered to KMP during this reporting financial year; and

- The Board, which also serves as the remuneration committee, reviews the remuneration packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors.

All remuneration paid to KMP is valued at the cost to the Group and expensed.

KMP or closely related parties of KMP are prohibited from entering hedge arrangements that would have the effect of limiting the risk exposure relating to their remuneration. In addition, the Board's remuneration policy prohibits Directors and KMP from using the Group's shares as collateral in any financial transaction.

Engagement of remuneration consultants

During the year, the Group did not engage any remuneration consultants.

Remuneration structure

The structure of Non-Executive, Executive Director and Senior Management remuneration is separate and distinct.

A. Non-Executive Director Remuneration

The Board's policy is to remunerate Non-Executive Directors at market rates for time, commitment and responsibilities. The Board determines payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders.

Each Director receives a fee for being a Director of the Group.

Remuneration report (audited) (continued)

Principles used to determine the nature and amount of remuneration (continued)

B. Senior Management and Executive Director Remuneration

The Group aims to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group to:

- Reward Executives for the Group, business unit and individual performance against targets set by reference to appropriate benchmarks;
- Align the interests of Executives with those of shareholders;
- Link reward with the strategic goals and performance of the Group;
- Ensure total remuneration is competitive by market standards; and
- Executive remuneration is designed to support the Group's reward philosopies and to underpin the Group's growth strategy. The program comprises the following available components:
  - Fixed remuneration component; and
  - Variable remuneration component including cash bonuses paid.

Fixed Remuneration

The level of fixed remuneration is set to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. The fixed (primary) remuneration is provided in cash.

Variable Remuneration

The performance of KMP is measured against criteria agreed annually with each Executive. All bonuses and incentives must be linked to predetermined performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long-term growth in shareholder wealth.

The objective of the Short-Term Incentive ("STI") program is to link the achievement of the Group's operational targets with the remuneration received by the executives charged with meeting those targets. The total potential STI available is set at a level to provide sufficient incentive to achieve the operational targets and such that the cost to the Group is reasonable.

Actual STI payments granted depend on the extent to which specific operating targets are met. The operational targets consist of a number of Key Performance Indicators (KPIs) covering both financial and non-financial measures of performance.

On an annual basis, the individual performance of each executive is rated and taken into account when determining the amount, if any, of the short-term incentive pool allocated to each executive. The aggregate of annual STI payments available for executives across the Group are usually delivered in the form of a cash bonus.

Directors' Report

For the Year Ended 31 December 2020

Remuneration report (audited) (continued)

Relationship between remuneration policy and company performance

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. The Group aims to align management remuneration to the strategic and business objectives and the creation of shareholder wealth. However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

The following table shows the gross revenue, profits and dividends for the last 36 months for the Group, as well as the share prices at the end of the respective financial years.

	2020	**2019**	**2018**
	$	**$**	**$**
Revenue	**192,784**	306,921	398,500
Net Profit/(Loss)	**(3,654,032)**	(6,719,585)	(2,323,092)
Share Price at Year-end	**0.08**	0.04	0.16
Dividends Paid (cents)	**-**	-	-

Details of remuneration

Details of the remuneration of key management personnel are set out in the tables in the following pages.

Key Management Personnel - Directors and Executives

The key management personnel ("KMP") of the Group consisted of the following Directors and executives during the year:

Non-Executive Directors	Position
Wayne Clay (Appointed 14 September 2020)	Non-Executive Chairman
Tim Ebbeck (Appointed 15 October 2020)	Non-Executive Director
Niv Dagan (Resigned 14 September 2020)	Non-Executive Director
Justyn Peter Stedwell (Resigned 2 April 2020)	Non-Executive Director, Company Secretary

Executive Directors	Position
Daniel O'Halloran	Appointed 2 April 2020 as Non-Executive Director, Appointed Chief Executive Officer and Managing Director on 1 October 2020
Jitze Jongsma	Executive Director, Chief Financial Officer
Reinier van der Drift (Resigned 14 December 2020)	Executive Director; Chief Executive Officer

Executives	Position
Stephen Daniel Friel (Appointed 29 October 2020; Resigned 8 March 2021)	Chief Technology Officer

Remuneration report (audited) (continued)

Details of remuneration (continued)

Key Management Personnel - Service Agreements

Service Agreements - Mr Daniel O'Halloran (CEO; Executive Director) - From 2 April 2020

The Company initially entered into a Director's Service Agreement with Mr Daniel O'Halloran on 2 April 2020 in relation to his appointment as Non-Executive Director of the Company. Pursuant to this agreement, Mr O'Halloran was entitled to director's fees of $36,000 per annum which is to be paid in shares in the Company, unless otherwise agreed. A total of 4,000,000 ordinary shares at $0.009 per share will be issued for the first 12 months of salary, comprising 2,000,000 ordinary shares for the initial 6 months of salary and the balance of 2,000,000 ordinary shares to be issued at a later date subject to shareholder approval and continued employment with the Company.

Mr O'Halloran entered into a management agreement with Tymlez Pty Ltd (previously known as Tymlez Energy Pty Ltd) on 25 August 2020 for three months, commencing 29 June 2020. The remuneration is payable via 615,000 ordinary shares at $0.065 each. The agreement stipulates that this will be on top of the existing non-executive director agreement compensation as mention above.

Further, the Company has entered into a Service Agreement with Mr Daniel O'Halloran on 14 December 2020 in relation to his appointment as Chief Executive Officer of the Company. Pursuant to this agreement, Mr O'Halloran shall be entitled to an annual remuneration of $180,000 (plus superannuation at the superannuation guarantee rate).

Subsequent to year end, Mr O'Halloran's agreements with the Company was revised. Refer to Note 28 to the financial statements for more information.

Director's Management Services Agreement - Mr Jitze Jongsma (Executive Director) - From 1 April 2019

Tymlez Holding B.V. entered into a Service Agreement with Lighthouse Business Improvement B.V., being an entity controlled by Mr Jitze Jongsma, for the provision of such services required for the proper management of Tymlez Holding. In connection with such agreement, Mr Jongsma has been appointed as a Managing Director of Tymlez Holding B.V. as well as Chief Financial Officer of the Company and is entitled to a fee of €12,500 per month pursuant to this agreement.

Mr Jongsma was appointed Managing Director of Tymlez Holding B.V. from 1 April 2019 and subsequently appointed Executive Director of the Company on 29 November 2019. There was no change to the service agreement as a result of the subsequent appointment.

Director's Service Agreement - Mr Wayne Clay (Non-Executive Chairman) - Appointed 14 September 2020

The Company entered into a Director's Service Agreement with Mr Wayne Clay on 17 August 2020 in relation to his appointment as Non-Executive Chairman of the Company. Pursuant to this agreement, Mr Clay shall be entitled to directors' fees of $48,000 per annum. A total of 480,000 ordinary shares will be issued at $0.10 per share for the first 12 months of salary, comprising 240,000 shares for the initial 6 months of salary to be issued following shareholder approval. The balance of 240,000 ordinary shares will be issued at or before the 6-month commencement date anniversary, subject to shareholder approval and continued employment with the Company. No such shares have been issued as at 31 December 2020.

In addition to the above, Mr Clay is entitled to receive listed options (TYMO) at an exercise price of $0.065 if and when certain targets are reached. No such options have been issued as at 31 December 2020.

Subsequent to year end, Mr Clay's Director's Service Agreement with the Company was amended. Refer to Note 28 to the financial statements for more information.

Remuneration report (audited) (continued)

Details of remuneration (continued)

Director's Service Agreement - Mr Tim Ebbeck (Non-Executive Director) - Appointed 15 October 2020

The Company entered into a Director's Service Agreement with Mr Tim Ebbeck on 30 September 2020 in relation to his appointment as Non-Executive Director of the Company. Pursuant to this agreement, Mr Ebbeck is entitled to directors' fees of $60,000 per annum of which $50,000 is to be paid in twelve monthly instalments and $10,000 in shares. The shares will be issued after a 6-month period at a price of 11 cents.

Subsequent to year end, Mr Ebbeck's Director's Service Agreement with the Company was amended. Refer to Note 28 to the financial statements for more information.

Service Agreement - Mr Justyn Peter Stedwell (Company Secretary)

The Company has entered into a Service Agreement with Mr Justyn Peter Stedwell on 13 November 2017 in relation to his appointment as Company Secretary of the Company. Pursuant to such agreement, Mr Stedwell shall be entitled to company secretarial fees of $140 per hour prior to admission to the official list of the ASX and $2,750 per month post admission.

Service Agreement - Mr Stephen Daniel Friel (Chief Technology Officer) - From 29 October 2020

The Company has entered into a Service Agreement with Mr Stephen Friel on 14 December 2020 in relation to his appointment as Chief Technology Officer of the Company. Pursuant to such agreement, Mr Friel shall be entitled to an annual remuneration of $150,000 (plus superannuation at the superannuation gaurantee rate).

Mr Friel resigned as Chief Technology Office on 8 March 2021. Refer to Note 28 to the financial statements for more information.

Directors' Report

For the Year Ended 31 December 2020

Remuneration report (audited) (continued)

Remuneration details for the year

The following table of benefits and payment details, in respect to the financial year, the components of remuneration for each member of the key management personnel of the Group.

Table of benefits and payments

	Short Term Employment Benefits			Post-Employment Benefits	Share Based Payments	
	Cash Salary and Fees	Leave Provision	Cash Bonus	Superannuation Contributions	Shares/Options $	Total
2020	**$**	**$**	**$**	**$**		**$**
Directors						
Executive Directors:						
Daniel O'Halloran	**44,734**	**852**	**-**	**4,250**	**66,876**	**116,712**
Jitze Jongsma	**223,308**	**-**	**-**	**-**	**28,570**	**251,878**
Reinier van der Drift	**212,969**	**-**	**-**	**-**	**25,650**	**238,619**
Non-Executive Directors:						
Wayne Clay *	**-**	**-**	**-**	**-**	**118,934**	**118,934**
Tim Ebbeck	**11,166**	**-**	**-**	**-**	**-**	**11,166**
Niv Dagan **	**22,469**	**-**	**-**	**2,232**	**-**	**24,701**
Justyn Peter Stedwell	**38,342**	**-**	**-**	**-**	**535**	**38,877**
Other KMP						
Stephen Daniel Friel	**24,852**	**710**	**-**	**2,361**	**104,600**	**132,523**
Total	**577,840**	**1,562**	**-**	**8,843**	**345,165**	**933,410**
2019						
Directors						
Executive Directors:						
Reinier van der Drift	241,619	-	-	-	6,390	248,009
Jitze Jongsma	240,735	-	-	-	752	241,487
Michael Reh	201,349	-	-	-	6,390	207,739
Non-Executive Directors:						
Justyn Peter Stedwell	35,288	-	-	87	449	35,824
Niv Dagan ***	2,500	-	-	238	-	2,738
Rodney Hannington	49,560	-	-	5,029	3,834	58,423
Daniel Charles Dickens	29,268	-	-	3,014	2,982	35,264
Total	800,319	-	-	8,368	20,797	829,484

* As these share based payments are subject to shareholders' approval, no shares or options have been issued by the Group to Wayne Clay. Subsequent to year end, Mr Clay's Director's Service Agreement with the Company was amended. Refer to Note 28 to the financial statements for more information.

** Niv Dagan is an executive director of Peak Asset Management Pty Ltd ("Peak") which has acted as lead manager and consultant to the Group during the year. During the year (until his resignation as director of the Group on 14 September 2020), Peak received a total of $262,920 in capital raising fees and consultancy fees.

*** Niv Dagan is an executive director of Peak Asset Management Pty Ltd ("Peak") which has acted as lead manager and consultant to the Group during the year. During the year, Peak received a total of $440,553 in capital raising fees and $55,688 in consultancy fees.

None of the remuneration paid to key management personnel for the year ended 31 December 2020 is related to the performance of the Group (31 December 2019: None).

Remuneration report (audited) (continued)

Cash performance-related bonuses

There were no cash bonuses granted as remuneration during the year that was paid or payable to key management personnel.

Securities received that are not performance related

No members of key management personnel are entitled to receive securities which are performance-based as part of their remuneration package. All of the share-based payments related to directors fees taken as shares/options.

Options and rights granted

There were no options issued to key management personnel as part of the remuneration during the year ended 31 December 2020.

There were no options exercised during the year ended 31 December 2020 or 31 December 2019.

Key management personnel options and rights holdings

31 December 2020	Balance at beginning of year No.	Granted as remuneration No.	Market acquisitions No.	Other changes * No.	Balance at the end of year No.	Vested during the year No.	Vested and exercisable No.
Directors							
Executive Directors:							
Daniel O'Halloran	-	-	-	1,136,363	1,136,363	-	1,136,363
Jitze Jongsma	90,000	-	-	-	90,000	90,000	90,000
Reinier van der Drift	150,000	-	568,182	(718,182)	-	-	718,182
Non-Executive Directors:							
Wayne Clay	-	-	-	-	-	-	-
Tim Ebbeck	-	-	-	-	-	-	-
Niv Dagan	1,050,000	-	1,538,740	(2,588,740)	-	-	2,588,740
Justyn Peter Stedwell	10,000	-	-	-	10,000	10,000	10,000
KMP							
Stephen Daniel Friel	-	-	-	-	-	-	-
Total	1,300,000	-	2,106,922	(2,170,559)	1,236,363	100,000	4,543,285

* These changes represent the holdings associated with the named personnel when they were appointed or on the date of resignation as key management personnel. These do not represent the disposal or purchase of options.

Directors' Report

For the Year Ended 31 December 2020

Remuneration report (audited) (continued)

Key management personnel shareholdings

The number of ordinary shares in Tymlez Group Limited held by each key management person of the Group during the financial year is as follows:

31 December 2020	Balance at start of year	Market acquisitions	Share based payment	Other changes during the year *	Balance at end of year
Directors					
Executive Directors:					
Daniel O'Halloran	-	6,978,035	2,000,000	2,322,286	11,300,321
Jitze Jongsma	-	2,250,000	3,206,250	-	5,456,250
Reinier van der Drift	32,702,116	2,818,182	3,206,250	(38,726,548)	-
Non-Executive Directors:					
Wayne Clay	-	-	-	-	-
Tim Ebbeck	-	45,500	-	-	45,500
Niv Dagan	5,911,081	11,168,794	-	(17,079,875)	-
Justyn Peter Stedwell	-	-	-	-	-
Total	38,613,197	23,260,511	8,412,500	(53,484,137)	16,802,071

* These changes represent the holdings associated with the named personnel when they were appointed or on the date of resignation as key management personnel. These do not represent the disposal or purchase of shares.

KMP related party transactions

The Group did not undertake any transactions during the year with:

- Key management personnel (KMP), except for those stated below;
- A close member of the family of that person; or
- An entity over which the key management person or family member has, directly or indirectly, control, joint control or significant influence.

Directors' Report

For the Year Ended 31 December 2020

Remuneration report (audited) (continued)

Transactions (excluding loans)

Transaction type	Terms and conditions*	Name of KMP	Amount $
Niv Dagan is an executive director of Peak Asset Management Pty Ltd ("Peak") which acted as the Group's lead manager and consultant during the year until Niv's resignation as director on 14 September 2020. Peak received the following fees, both before and after Niv's resignation as director:			
Capital raising fees	6% of total funds raised (plus 10% GST)	Niv Dagan	262,920

* The transactions are on normal commercial terms and conditions no more favourable than those available to other parties.

Assets and liabilities related to KMP transactions

Transaction type	Current liabilities $	Non-current liabilities $
Trade creditor - capital raising fees	**22,000**	**-**

End of Audited Remuneration Report

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001*, for the year ended 31 December 2020 has been received and can be found on page 20 of the consolidated financial report.

Non-audit services

No non-audit services were provided by the auditor during the year.

This director's report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors.

Executive Director & CEO: Daniel O'Halloran ....

Daniel O'Halloran

Executive Director & CFO: ....

Jitze Jongsma

Dated this 31st day of March 2021

Auditor's Independence declaration

As lead auditor for the audit of the consolidated financial report of Tymlez Group Limited for the year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

(a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

(b) any applicable code of professional conduct in relation to the audit.

This declaration is in relation to the Tymlez Group Limited and the entities it controlled during the period.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Jude Lau
Partner

Melbourne
31 March 2021

hlb.com.au

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2020

	Note	2020 $	2019 $
Continuing Operations			
Revenue	4	**192,784**	306,921
Other income		**368**	2,074
Employee benefits expense		**(1,995,032)**	(2,286,297)
Depreciation and amortisation expense	5	**-**	(655,803)
Impairment loss on non-current assets	5	**-**	(2,227,383)
Management fees		**(524,822)**	(540,360)
Occupancy expenses		**(82,446)**	(35,979)
Office expenses		**(96,507)**	(120,376)
Professional fees		**(626,273)**	(502,529)
Selling and distribution expenses		**(155,724)**	(367,199)
Other expenses		**(324,525)**	(271,341)
Finance costs	5	**(40,583)**	(22,573)
Loss before income tax		**(3,652,760)**	(6,720,845)
Income tax (expense)/benefit	6	**(1,272)**	1,260
Loss for the year		**(3,654,032)**	(6,719,585)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss		**-**	-
Items that will be reclassified to profit or loss when specific conditions are met			
Exchange differences on translating foreign controlled entities	14	**(3,780)**	(2,219)
Other comprehensive income/(loss) for the year, net of tax		**(3,780)**	(2,219)
Total comprehensive income/(loss) for the year		**(3,657,812)**	(6,721,804)
Profit/(loss) attributable to:			
Members of the parent entity		**(3,654,032)**	(6,719,585)
		(3,654,032)	(6,719,585)
Total comprehensive income attributable to:			
Members of the parent entity		**(3,657,812)**	(6,721,804)
		(3,657,812)	(6,721,804)
Earnings per share:			
Basic, loss for the year attributable to ordinary equity holders of the parent (cents)	7	**(1.63)**	(5.07)
Diluted, loss for the year attributable to ordinary equity holders of the parent (cents)	7	**(1.63)**	(5.07)
Earnings per share for continuing operations:			
Basic, loss from continuing operations attributable to ordinary equity holders of the parent (cents)	7	**(1.63)**	(5.07)
Diluted, loss from continuing operations attributable to ordinary equity holders of the parent (cents)	7	**(1.63)**	(5.07)

Consolidated Statement of Financial Position

As At 31 December 2020

	Note	2020 $	2019 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	8	**1,841,170**	714,430
Trade and other receivables	9	**96,470**	199,679
Other assets	10	**188,336**	229,097
TOTAL CURRENT ASSETS		**2,125,976**	1,143,206
TOTAL ASSETS		**2,125,976**	1,143,206
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	11	**685,508**	570,587
Borrowings	12	**422,154**	188,122
Employee benefits		**586**	-
TOTAL CURRENT LIABILITIES		**1,108,248**	758,709
NON-CURRENT LIABILITIES			
Borrowings	12	**458,280**	144,167
TOTAL NON-CURRENT LIABILITIES		**458,280**	144,167
TOTAL LIABILITIES		**1,566,528**	902,876
NET ASSETS		**559,448**	240,330
EQUITY			
Issued capital	13	**16,657,725**	14,614,311
Reserves	14	**(3,361,926)**	(5,291,662)
Accumulated losses	15	**(12,736,351)**	(9,082,319)
TOTAL EQUITY		**559,448**	240,330

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2020

	Note	Issued Capital $	Accumulated Losses $	Foreign Currency Translation Reserve $	Option Reserve $	Deferred Consideration Shares Reserve $	Common Control Reserve $	Total $
Balance at 1 January 2020		**14,614,311**	**(9,082,319)**	**152,699**	**885,644**	**602,019**	**(6,932,024)**	**240,330**
Net profit/(loss) for the year	15	**-**	**(3,654,032)**	**-**	**-**	**-**	**-**	**(3,654,032)**
Total other comprehensive income for the year	14	**-**	**-**	**(3,780)**	**-**	**-**	**-**	**(3,780)**
Transactions with owners in their capacity as owners								
Contribution of equity, net of transaction costs	13	**2,043,414**	**-**	**-**	**-**	**-**	**-**	**2,043,414**
Issue of options	14	**-**	**-**	**-**	**1,933,516**	**-**	**-**	**1,933,516**
Balance at 31 December 2020		**16,657,725**	**(12,736,351)**	**148,919**	**2,819,160**	**602,019**	**(6,932,024)**	**559,448**
Balance at 1 January 2019		14,488,706	(2,369,550)	154,918	275,800	602,019	(6,932,024)	6,219,869
Net profit/(loss) for the year	15	-	(6,719,585)	-	-	-	-	(6,719,585)
Total other comprehensive income for the year	14	-	-	(2,219)	-	-	-	(2,219)
Transactions with owners in their capacity as owners								
Contribution of equity, net of transaction costs	13	125,605	-	-	-	-	-	125,605
Issue of options	14	-	-	-	616,660	-	-	616,660
Lapsed options	14	-	6,816	-	(6,816)	-	-	-
Balance at 31 December 2019		14,614,311	(9,082,319)	152,699	885,644	602,019	(6,932,024)	240,330

The accompanying notes form part of these financial statements.

Tymlez Group Limited

ABN 37 622 817 421

Consolidated Statement of Cash Flows

For the Year Ended 31 December 2020

	Note	2020 $	2019 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**221,951**	339,675
Payments to suppliers and employees		**(3,025,016)**	(4,426,257)
Interest received		**368**	1,176
VAT and GST received/(paid)		**61,420**	221,027
Finance costs		**(20,698)**	(12,125)
Income taxes received/(paid)		**(1,272)**	1,260
Net cash provided by/(used in) operating activities	16(a)	**(2,763,247)**	(3,875,244)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of property, plant and equipment		**-**	(24,050)
Net cash provided by/(used in) investing activities		**-**	(24,050)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issue of shares		**2,908,061**	658,000
Proceeds from the issue of convertible notes		**812,618**	-
Net proceeds from/(repayment of) borrowings		**453,123**	(122,722)
Payment of lease liabilities		**(70,905)**	-
Payment of share issue costs		**(195,942)**	(415,197)
Net cash provided by/(used in) financing activities		**3,906,955**	120,081
Effects of exchange rate changes on cash and cash equivalents		**(16,968)**	11,869
Net increase/(decrease) in cash and cash equivalents held		**1,126,740**	(3,767,344)
Cash and cash equivalents at beginning of year		**714,430**	4,481,774
Cash and cash equivalents at end of financial year	8(a)	**1,841,170**	714,430

The accompanying notes form part of these financial statements.

The consolidated financial report covers Tymlez Group Limited and its controlled entities ('the Group'). Tymlez Group Limited is a for-profit Company limited by shares, incorporated and domiciled in Australia.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity’s functional and presentation currency.

The financial report was authorised for issue by the Directors on 31 March 2021.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

The financial statements are general purpose financial statements that have been prepared in accordance with the Australian Accounting Standards and the *Corporations Act 2001.*

These financial statements comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Significant accounting policies adopted in the preparation of these financial statements are presented below and are consistent with prior reporting periods unless otherwise stated.

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 ordinary course of business, for a period of at least 12 months from the date the financial report is authorised for issue.

As at 31 December 2020, the Group has a net asset position of $559,448 (2019: $240,330) and its current assets exceed its current liabilities by $1,017,728 (2019: $384,497). During the financial year, the Group had cash outflows from operating activities of $2,763,247 (2019: $3,875,244) and a net loss from operating activities of $3,654,032 (2019: $6,719,585). As in the previous financial year, the directors have decided not to capitalise development costs to comply with Australian Accounting Standards.

The Group has prepared a cash flow forecast for the period ending 31 August 2022, which indicates that, without further fundraising, the Group may have insufficient funds to meet its expenditure commitments and to support its current level of corporate overheads. It therefore would need to raise additional funds in order to fund its growth and to continue as a going concern.

To address the future additional funding requirements of the Group, since 31 December 2020, the directors have undertaken the following initiatives:

- Driving revenue growth;
- Continue to monitor and control the Group’s ongoing working capital requirements and expenditure commitments;

1 Basis of Preparation (continued)

Going concern (continued)

- Consider appropriate action to raise further capital; and

- Continue management’s focus on maintaining an appropriate level of corporate overheads in line with the Group’s available cash resources.

The above initiatives have led to a reduction in overhead costs.

The directors are confident that they will be able to complete the capital raising initiatives that will provide the Group with sufficient funding to meet its minimum expenditure commitments and support the planned level of overhead expenditures, and therefore, determine that it is appropriate to prepared the financial statements on the going concern basis.

In the event that the Group is unable to successfully complete the fundraising referred to above, a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern and therefore whether it will realise assets and discharge liabilities in the normal course of business and at the amounts shown in the financial report.

The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern.

2 Summary of Significant Accounting Policies

(a) Basis for consolidation

The consolidated financial statements include the financial position and performance of controlled entities from the date on which control is obtained until the date that control is lost.

Intragroup assets, liabilities, equity, income, expenses and cashflows relating to transactions between entities in the consolidated entity have been eliminated in full for the purpose of these financial statements.

Appropriate adjustments have been made to a controlled entity’s financial position, performance and cash flows where the accounting policies used by that entity were different from those adopted by the consolidated entity. All controlled entities have a December financial year end.

A list of controlled entities is contained in Note 19 to the financial statements.

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the parent has control. Control is established when the parent is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

(b) Business combinations

Business combinations are accounted for by applying the acquisition method which requires an acquiring entity to be identified in all cases, unless it is a combination involving entities or businesses under common control. The acquisition date under this method is the date that the acquiring entity obtains control over the acquired entity.

2 Summary of Significant Accounting Policies (continued)

(b) Business combinations (continued)

For transactions meeting the definition of "transactions between entities under common control", the Group accounts for the assets and liabilities of the entities acquired at their pre-combination carrying amount without fair value uplift. The accounting is applied on the basis that there has been no substantive economic change. No goodwill is recognised as part of the transaction, instead, any difference between the cost of transaction and the carrying value of the net asset acquired has been recorded in equity. The acquisition of Tymlez Holding B.V. in the 2017 financial period met the definition of a transaction between entities under common control as per AASB 3 and no fair value uplift was applied.

The fair value of identifiable assets and liabilities acquired are recognised in the consolidated financial statements at the acquisition date.

Goodwill or a gain on bargain purchase may arise on the acquisition date, this is calculated by comparing the consideration transferred and the amount of non-controlling interest in the acquiree with the fair value of the net identifiable assets acquired. Where consideration is greater than the net assets acquired, the excess is recorded as goodwill. Where the net assets acquired are greater than the consideration, the measurement basis of the net assets are reassessed and then a gain from bargain purchase recognised in profit or loss.

All acquisition-related costs are recognised as expenses in the periods in which the costs are incurred except for costs to issue debt or equity securities.

Any contingent consideration which forms part of the combination is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity then it is not remeasured unless it forms part of provisional accounting adjustment and the settlement is accounted for within equity. Otherwise subsequent changes in the value of the contingent consideration liability are measured through profit or loss.

(c) Income Tax

The tax expense/benefit recognised in the consolidated statement of profit or loss and other comprehensive income comprises of current income tax expense plus deferred tax expense.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred tax is provided on temporary differences which are determined by comparing the carrying amounts of tax bases of assets and liabilities to the carrying amounts in the consolidated financial statements.

Deferred tax is not provided for the following:

- The initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).
- Taxable temporary differences arising on the initial recognition of goodwill.
- Temporary differences related to investment in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

2 Summary of Significant Accounting Policies (continued)

(c) Income Tax (continued)

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and losses can be utilised.

Current and deferred tax is recognised as income or an expense and included in profit or loss for the period except where the tax arises from a transaction which is recognised in other comprehensive income or equity, in which case the tax is recognised in other comprehensive income or equity respectively.

(d) Leases

At inception of a contract, the Group assesses whether a lease exists - i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- The contract involves the use of an identified asset - this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset.
- The Group has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- The Group has the right to direct the use of the asset i.e. decision making rights in relation to changing how and for what purpose the asset is used.

Lessee accounting

The non-lease components included in the lease agreement have been separated and are recognised as an expense as incurred.

At the lease commencement, the Group recognises a right-of-use asset and associated lease liability for the lease term. The lease term includes extension periods where the Group believes it is reasonably certain that the option will be exercised.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the rate implicit in the lease, however where this cannot be readily determined then the Group's incremental borrowing rate is used.

2 Summary of Significant Accounting Policies (continued)

(d) Leases (continued)

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in the Group's assessment of lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Exceptions to lease accounting

The Group has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets. The Group recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

(e) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Group expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

1. Identify the contract with the customer

2. Identify the performance obligations

3. Determine the transaction price

4. Allocate the transaction price to the performance obligations

5. Recognise revenue as and when control of the performance obligations is transferred

Generally the timing of the payment for sale of goods and rendering of services corresponds closely to the timing of satisfaction of the performance obligations, however where there is a difference, it will result in the recognition of a receivable, contract asset or contract liability.

None of the revenue streams of the Group have any significant financing terms as there is less than 12 months between receipt of funds and satisfaction of performance obligations.

Specific revenue streams

The revenue recognition policies for the principal revenue streams of the Group are:

2 Summary of Significant Accounting Policies (continued)

(e) Revenue and other income (continued)

Licence fees

Revenue from this stream is recognised in the accounting period in which the licences are issued. Licences sold on a subscription basis is earned over the subscription period as performance obligations are satisfied over time. Revenue from selling perpetual licences where the Group receives an upfront fee is apportioned between sale of licence income which recognised upfront and software upgrade over a period of time. The transaction price allocated to these software upgrades is recognised as a contract liability at the time of the initial sale transaction is released on a straight-line basis.

Rendering of services

Revenue from providing such services is recognised in the accounting period in which the services are rendered.

Interest revenue

Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other income

Other income is recognised when it is received or when the right to receive payment is established.

(f) Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of that asset.

All other borrowing costs are recognised as an expense in the period in which they are incurred.

(g) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of GST.

Cash flows in the consolidated statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(h) Cash and cash equivalents

Cash and cash equivalents comprises cash on hand, demand deposits and short-term investments with original maturities of 3 months or less, which are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2 Summary of Significant Accounting Policies (continued)

(h) Cash and cash equivalents (continued)

Bank overdrafts also form part of cash equivalents for the purpose of the consolidated statement of cash flows and are presented within current liabilities on the consolidated statement of financial position.

(i) Financial instruments

Financial instruments are recognised initially on the date that the Group becomes party to the contractual provisions of the instrument.

On initial recognition, all financial instruments are measured at fair value plus transaction costs (except for instruments measured at fair value through profit or loss where transaction costs are expensed as incurred).

Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification

On initial recognition, the Group classifies its financial assets into the following category, those measured at:

- amortised cost

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets.

Amortised cost

Assets measured at amortised cost are financial assets where:

- the business model is to hold assets to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows are solely payments of principal and interest on the principal amount outstanding.

The Group's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Subsequent to initial recognition, these assets are carried at amortised cost using the effective interest rate method less provision for impairment.

Interest income, foreign exchange gains or losses and impairment are recognised in profit or loss. Gain or loss on derecognition is recognised in profit or loss.

2 Summary of Significant Accounting Policies (continued)

(i) Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

Impairment of financial assets is recognised on an expected credit loss (ECL) basis for the following assets:

- financial assets measured at amortised cost

When determining whether the credit risk of a financial assets has increased significantly since initial recognition and when estimating ECL, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment and including forward looking information.

The Group uses the presumption that an asset which is more than 30 days past due has seen a significant increase in credit risk.

The Group uses the presumption that a financial asset is in default when:

- the other party is unlikely to pay its credit obligations to the Group in full, without recourse to the Group to actions such as realising security (if any is held); or

- the financial assets is more than 90 days past due.

Credit losses are measured as the present value of the difference between the cash flows due to the Group in accordance with the contract and the cash flows expected to be received. This is applied using a probability weighted approach.

Trade receivables

Impairment of trade receivables has been determined using the simplified approach in AASB 9 which uses an estimation of lifetime expected credit losses. The Group has determined the probability of non-payment of the receivable and multiplied this by the amount of the expected loss arising from default.

The amount of the impairment is recorded in a separate allowance account with the loss being recognised in finance expense. Once the receivable is determined to be uncollectable then the gross carrying amount is written off against the associated allowance.

Where the Group renegotiates the terms of trade receivables due from certain customers, the new expected cash flows are discounted at the original effective interest rate and any resulting difference to the carrying value is recognised in profit or loss.

2 Summary of Significant Accounting Policies (continued)

(i) Financial instruments (continued)

Financial liabilities

The Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

The financial liabilities of the Group comprise trade payables and borrowings.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the consolidated statement of financial position, net of transaction costs.

(j) Employee benefits

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages and salaries. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled, inclusive of on-costs.

The Group's obligations for short-term employee benefits such as wages and salaries are recognised as a part of current employee benefits in the consolidated statement of financial position.

Defined contribution schemes

Obligations for contributions to defined contribution superannuation plans are recognised as an employee benefit expense in profit or loss in the periods in which services are provided by employees.

(k) Earnings per share

Basic earnings per share is calculated by dividing the profit/(loss) attributable to owners of the company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share adjusts the basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(l) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

2 Summary of Significant Accounting Policies (continued)

(m) Equity-settled compensation

The Group operates an employee share and option plan. Share-based payments to employees, directors and consultants are measured at the fair value of the instruments at grant date and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amounts are recognised in the option reserve and statement of profit and loss respectively. The fair value of options is determined using the binomial pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

(n) Foreign currency transactions and balances

Transaction and balances

Foreign currency transactions are recorded at the spot rate on the date of the transaction.

At the end of the reporting period:

- Foreign currency monetary items are translated using the closing rate;
- Non-monetary items that are measured at historical cost are translated using the exchange rate at the date of the transaction; and
- Non-monetary items that are measured at fair value are translated using the rate at the date when fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition or in prior reporting periods are recognised through profit or loss, except where they relate to an item of other comprehensive income or whether they are deferred in equity as qualifying hedges.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at that reporting date;
- income and expenses are translated at average exchange rates for the period where the average rate approximates the rate at the date of the transaction; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of any net investment in foreign entities are transferred directly to the Group's foreign currency translation reserve in the consolidated statement of financial position. These differences are recognised in the consolidated statement of profit or loss and other comprehensive income in the period in which the operation is disposed.

2 Summary of Significant Accounting Policies (continued)

(o) Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time at 1 January 2020, the adoption of these standards has not caused any material adjustments to the reported financial position, performance or cash flow of the Group.

(p) New Accounting Standards and Interpretations for application in future periods

The AASB has issued new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods. The directors have decided against early adoption of these Standards, but does not expect the adoption of these standards to have any impact on the reported position or performance of the Group.

3 Critical Accounting Estimates and Judgements

The directors make estimates and judgements during the preparation of these consolidated financial statements regarding assumptions about current and future events affecting transactions and balances.

These estimates and judgements are based on the best information available at the time of preparing the financial statements, however as additional information is known then the actual results may differ from the estimates.

The significant estimates and judgements made have been described below.

Key estimates - share based payments

Equity-settled share awards are recognised as an expense based on their fair value at date of grant. The fair value of equity-settled share options is estimated through the use of option valuation models – which require inputs such as the risk-free interest rate, expected dividends, expected volatility and the expected option life – and is expensed over the vesting period.

Some of the inputs used, such as the expected option life, are not market observable and are based on estimates derived from available data, such as employee exercise behaviour. The models utilised, such as the binomial option pricing model, are intended to value options traded in active markets. The share options issued by the Group, however, have a number of features that make them incomparable to such traded options. Using different input estimates or models could produce different option values, which would result in the recognition of a higher or lower expense.

Key judgement - Lease term

The lease term is a significant component in the measurement of both the right-of-use asset and lease liability. Judgement is exercised in determining whether there is reasonable certainty that an option to extend the lease or purchase the underlying asset will be exercised, or an option to terminate the lease will not be exercised, when ascertaining the periods to be included in the lease term. In determining the lease term, all facts and circumstances that create an economical incentive to exercise an extension option, or not to exercise a termination option, are considered at the lease commencement date. Factors considered may include the importance of the asset to the Group's operations; comparison of terms and conditions to prevailing market rates; incurrence of significant penalties; existence of significant leasehold improvements; and the costs and disruption to replace the asset. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

4 Revenue

Revenue from continuing operations

	2020	2019
	$	$
Revenue from contracts with customers		
Licence fees:		
- Platform as a service	**192,784**	128,474
Service fees:		
- Setup and support revenues	**-**	18,363
- Consultancy and professional services	**-**	160,084
Total revenue	**192,784**	306,921

(a) Disaggregation of revenue from contracts with customers

The Group derives revenue from licence fees and service fees both over time and at a point in time. The following tables disaggregate revenue by primary geographical market and the timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's reporting segments.

	Reportable segments				
	Australia	Netherlands	Total reportable segments	All other segments	Total
	$	$	$	$	$
Year ended 31 December 2020					
Type of contract					
Licence fees:					
- Platform as a service	-	192,784	192,784	-	192,784
Revenue from contracts with customers	-	192,784	192,784	-	192,784
Timing of revenue recognition					
Over time:					
- Licence fees:					
- Platform as a service	-	192,784	192,784	-	192,784
Revenue from contracts with customers	-	192,784	192,784	-	192,784

Total revenue for the year ended 31 December 2020 is mainly derived from two individual external customers.

4 Revenue (continued)

(a) Disaggregation of revenue from contracts with customers (continued)

	Reportable segments				
	Australia	Netherlands	Total reportable segments	All other segments	Total
	$	$	$	$	$
Year ended 31 December 2019					
Type of contract					
Licence fees:					
- Platform as a service	-	128,474	128,474	-	128,474
Service fees					
- Setup and support revenues	-	18,363	18,363	-	18,363
- Consultancy and professional services	-	160,084	160,084	-	160,084
Revenue from contracts with customers	-	306,921	306,921	-	306,921
Timing of revenue recognition					
At a point in time:					
- Service fees:					
- Setup and support revenues	-	18,363	18,363	-	18,363
- Consultancy and professional services	-	160,084	160,084	-	160,084
Over time:					
- Licence fees:					
- Platform as a service	-	128,474	128,474	-	128,474
Revenue from contracts with customers	-	306,921	306,921	-	306,921

Total revenue for the year ended 31 December 2019 is mainly derived from three individual external customers.

(b) Revenue recognised in relation to contract liabilities

The Group did not have any revenue recognised in the current reporting period related to carried-forward contract liabilities and revenue recognised in respect of performance obligations that were satisfied in a prior year.

(c) Unsatisfied performance obligations

All customer contracts are for periods of one year or less or are billed based on time incurred. As permitted by AASB 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2020

5 Result for the Year

The result for the year includes the following specific expenses:

	2020	2019
	$	$
Depreciation and amortisation expense:		
- Depreciation - Plant and equipment	**-**	31,850
- Depreciation - Right-of-use asset	**-**	84,246
- Amortisation - Development costs	**-**	539,707
Total depreciation and amortisation expense	**-**	655,803
Finance costs:		
- Banks and other third parties	**33,481**	12,125
- Lease liability	**7,102**	10,448
Total finance costs	**40,583**	22,573
Significant expenses:		
Impairment loss on non-current assets	**-**	2,227,383

6 Income Tax Expense

	2020	2019
Reconciliation of income tax to accounting profit/(loss):		
Profit/(loss) before income tax	**(3,652,760)**	(6,720,845)
Tax at Australian tax rate of 30%	**(404,012)**	(4,550,749)
Tax at Overseas tax rates	**(333,859)**	1,659,053
	(737,871)	(2,891,696)
Add tax effect of:		
- other non-allowable items	**(72,361)**	(66,946)
- other non-deductible expenses	**26,026**	1,496,358
- tax losses not brought to account	**785,478**	1,461,024
Income tax expense/(benefit)	**1,272**	(1,260)

7 Earnings per Share

(a) Reconciliation of earnings to profit or loss from continuing operations

	2020	2019
	$	$
Loss from continuing operations	**(3,654,032)**	(6,719,585)
Earnings used to calculate basic EPS from continuing operations	**(3,654,032)**	(6,719,585)
Earnings used in the calculation of dilutive EPS from continuing operations	**(3,654,032)**	(6,719,585)

(b) Earnings used to calculate overall earnings per share

	2020	2019
Earnings used to calculate overall earnings per share	**(3,654,032)**	(6,719,585)

(c) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	2020	2019
	No.	No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	**224,638,943**	132,589,622
Weighted average number of dilutive options outstanding	**-**	-
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	**224,638,943**	132,589,622

(d) Earnings per share

	2020	2019
	Cents	Cents
Earnings per share:		
Basic, loss for the year attributable to ordinary equity holders of the parent	**(1.63)**	(5.07)
Diluted, loss for the year attributable to ordinary equity holders of the parent	**(1.63)**	(5.07)
Earnings per share for continuing operations:		
Basic, loss from continuing operations attributable to ordinary equity holders of the parent	**(1.63)**	(5.07)
Diluted, loss from continuing operations attributable to ordinary equity holders of the parent	**(1.63)**	(5.07)

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2020

8 Cash and Cash Equivalents

	Note	2020 $	2019 $
Cash at bank		**1,841,170**	714,430
Total cash and cash equivalents	8(a)	**1,841,170**	714,430

(a) Reconciliation of cash

Cash and cash equivalents reported in the consolidated statement of cash flows are reconciled to the equivalent items in the consolidated statement of financial position as follows:

	Note	2020 $	2019 $
Cash and cash equivalents	8	**1,841,170**	714,430
Balance as per consolidated statement of cash flows		**1,841,170**	714,430

9 Trade and Other Receivables

	2020 $	2019 $
CURRENT		
Deposits	**27,124**	31,605
Taxes and social security	**55,635**	68,864
Funds held in trust	**-**	85,054
Other receivables	**13,711**	14,156
Total current trade and other receivables	**96,470**	199,679

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements. See Note 21 for details on the Group's trade and other receivables exposed to credit risk (prior to collateral and other credit enhancements) with ageing analysis and impairment provided for thereon.

10 Other Assets

	2020 $	2019 $
CURRENT		
Prepayments	**188,336**	229,097
Total current other assets	**188,336**	229,097

11 Trade and Other Payables

	2020 $	2019 $
CURRENT		
Unsecured liabilities:		
Trade payables	**97,575**	178,035
Taxes and social security	**33,546**	27,560
Sundry payables and accrued expenses	**466,640**	280,930
Share subscription account	**59,500**	84,062
Other payables	**28,247**	-
Total current trade and other payables	**685,508**	570,587

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

12 Borrowings

	Note	2020 $	2019 $
CURRENT			
Unsecured liabilities:			
Loan from Netherlands government	12(a)	**227,435**	-
Insurance premium funding	12(b)	**130,120**	126,451
Lease liability		**64,599**	61,671
Total current borrowings		**422,154**	188,122
NON-CURRENT			
Unsecured liabilities:			
Loan from Netherlands government	12(a)	**379,057**	-
Lease liability		**79,223**	144,167
Total non-current borrowings		**458,280**	144,167

(a) Loan from Netherlands government

The terms and conditions of the loan from the Netherlands government is as follows:

- The Netherlands government has provided 75% (€375,000) of the bridging credit in the form of a loan to Tymlez Holding B.V. on the basis that Tymlez Group Limited is willing to provide the remaining 25%;
- The loan will only be used to finance the capital expenditures and working capital needs of the Group;
- Interest is calculated at 3% per annum on the outstanding part of the principal, accruing on a daily basis;
- Repayment of the principal and interest commences on 1 July 2021 and thereafter, on the last day of each calendar quarter;
- Extensions for repayment may be granted at the request of the Group to a period equal to no more than 16 quarterly instalments.

(b) Insurance premium funding

Insurance premium funding has a fixed interest rate of 5.29% per annum (2019: 5.29% per annum).

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For the Year Ended 31 December 2020

13 Issued Capital

	2020	2019
	$	$
292,036,871 (2019: 145,873,153) fully paid ordinary shares	**19,058,280**	16,846,988
Share issue costs	**(2,400,555)**	(2,232,677)
Total issued capital	**16,657,725**	14,614,311

(a) Ordinary shares

	2020	2019
	No.	No.
At the beginning of the reporting year	**145,873,153**	130,679,971
Shares issued during the year:		
- Shares issued on private placement	**25,495,489**	15,068,182
- Conversion of convertible note	**102,125,126**	-
- Conversion of debt payable to Lead Manager	**-**	125,000
- Shares issued to Lead Manager per signed mandate	**7,220,098**	-
- Shares issued on rights issue	**1,910,505**	-
- Shares issued to consultant	**1,000,000**	-
- Shares issued to directors in lieu of remuneration	**8,412,500**	-
At the end of the reporting period	**292,036,871**	145,873,153

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

(b) Capital Management

The key objectives of the Group when managing capital is to safeguard its ability to continue as a going concern and maintain optimal benefits to stakeholders. The Group defines capital as its equity and net debt.

There has been no change to capital risk management policies during the year.

The Group manages its capital structure and makes funding decisions based on the prevailing economic environment and has a number of tools available to manage capital risk. These include maintaining a diversified debt portfolio, the ability to adjust the size and timing of dividends paid to shareholders and the issue of new shares.

The Board monitors a range of financial metrics including return on capital employed and gearing ratios. A key objective of the Group's capital risk management is to maintain compliance with the covenants, if any, attached to the Group's debts. Throughout the year, the Group has complied with these covenants.

14 Reserves

	2020	2019
	$	$
Foreign currency translation reserve		
Opening balance	**152,699**	154,918
Exchange differences on translating foreign controlled entities	**(3,780)**	(2,219)
Closing balance	**148,919**	152,699
Option reserve		
Opening balance	**885,644**	275,800
Issue of options	**1,933,516**	616,660
Lapsed options	**-**	(6,816)
Closing balance	**2,819,160**	885,644
Deferred consideration shares reserve		
Opening balance	**602,019**	602,019
Closing balance	**602,019**	602,019
Common control reserve		
Opening balance	**(6,932,024)**	(6,932,024)
Closing balance	**(6,932,024)**	(6,932,024)
Total reserves	**(3,361,926)**	(5,291,662)

(a) Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income - foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

(b) Option reserve

This reserve records the cumulative value of employee service received for the issue of share options. When the option is exercised the amount in the share option reserve is transferred to share capital.

(c) Deferred consideration shares reserve

The deferred consideration shares reserve records the equity contingent consideration that forms part of the purchase consideration of a business combination or common control transaction. This amount is not remeasured and the settlement is accounted for within equity.

(d) Common control reserve

The common control reserve records any difference between the cost of the transaction and the carrying value of the net assets acquired in a transaction between entities under common control.

15 Accumulated Losses

	Note	2020 $	2019 $
Accumulated losses at the beginning of the financial year		**(9,082,319)**	(2,369,550)
Net profit/(loss) for the year		**(3,654,032)**	(6,719,585)
Lapsed options		**-**	6,816
Accumulated losses at end of the financial year		**(12,736,351)**	(9,082,319)

16 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

	2020 $	2019 $
Net profit/(loss) for the year	**(3,654,032)**	(6,719,585)
Non-cash flows in profit/(loss):		
- depreciation and amortisation expense	**-**	655,803
- impairment of non-current assets	**-**	2,227,383
- expenses paid via issue of shares/options	**302,058**	27,500
- share based payment to directors and employees	**382,842**	62,096
- interest expense on lease liability	**15,502**	10,448
- GST claim on capital raising costs	**17,676**	64,947
- insurance expense paid via insurance premium funding	**161,162**	16,733
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**19,147**	124,023
- (increase)/decrease in other assets	**40,761**	88,380
- increase/(decrease) in trade and other payables	**(48,949)**	(432,972)
- increase/(decrease) in employee benefits	**586**	-
Net cash provided by/(used in) operating activities	**(2,763,247)**	(3,875,244)

(b) Non-cash financing and investing activities

	2020 $	2019 $
Payment of outstanding debts via the issue of shares	**106,675**	27,500
Payment of outstanding debts via the issue of TYMO options	**213,262**	-
Issue of options under employee share scheme	**90,008**	42,500
Insurance premium funding	**169,561**	159,488
Total non-cash financing and investing activities	**579,506**	229,488

(c) Changes in liabilities arising from financing activities

			Non-cash changes			
	2019 $	Cash flows $	Initial application of AASB 16 $	Foreign exchange movement $	Other non-cash movement $	2020 $
Insurance premium funding	**126,451**	**(165,893)**	**-**	**-**	**169,562**	**130,120**
Lease liabilities	**205,838**	**(70,905)**	**-**	**1,787**	**7,102**	**143,822**
Loan from Netherlands government	**-**	**619,016**	**-**	**(12,524)**	**-**	**606,492**
Convertible notes	**-**	**812,618**	**-**	**-**	**(812,618)**	**-**
Total liabilities from financing activities	**332,289**	**1,194,836**	**-**	**(10,737)**	**(635,954)**	**880,434**

16 Cash Flow Information (continued)

(c) Changes in liabilities arising from financing activities (continued)

			Non-cash changes			
	2018	Cash flows	Initial application of AASB 16	Foreign exchange movement	Other non-cash movement	2019
	$	$	$	$	$	$
Insurance premium funding	-	(33,037)	-	-	159,488	126,451
Lease liabilities	-	(89,685)	316,290	(2,478)	(18,289)	205,838
Total liabilities from financing activities	-	(122,722)	316,290	(2,478)	141,199	332,289

17 Share-based Payments

During the year ended 31 December 2020, the Company issued options to its employees and key management personnel pursuant to its Employee Share Option Plan ("ESOP").

A summary of the Company options on issue is as follows:

2020 Grant Date	Expiry Date	Exercise price	Start of the year	Granted during the year	Exercised during the year	Forfeited during the year	Balance at the end of the year	Vested and exercisable at the end of the year
13 December 2018	11 December 2022	0.350	2,000,000	-	-	-	2,000,000	2,000,000
16 January 2019	15 March 2021	0.350	930,000	-	-	-	930,000	930,000
14 May 2019	15 March 2021	0.350	300,000	-	-	-	300,000	300,000
30 July 2019	15 March 2021	0.350	90,000	-	-	-	90,000	90,000
08 October 2020	25 August 2023	0.055	-	1,770,000	-	-	1,770,000	210,000
2019								
13 December 2018	11 December 2022	0.350	2,000,000	-	-	-	2,000,000	2,000,000
16 January 2019	15 March 2021	0.350	-	930,000	-	-	930,000	-
14 May 2019	15 March 2021	0.350	-	460,000	-	(160,000)	300,000	300,000
30 July 2019	15 March 2021	0.350	-	90,000	-	-	90,000	-

There were no options exercised during the year ended 31 December 2020 (31 December 2019: None).

The weighted average remaining contractual life of options outstanding at year end was 1.74 years (2019: 2.26 years). The weighted average exercise price of outstanding shares at the end of the reporting period was $0.25 (2019: $0.35).

17 Share-based Payments (continued)

The weighted average fair value of the options granted during the year was $0.10 (2019: $0.08). These values were calculated by using a binomial option pricing model applying the following inputs:

Grant date:	08 October 2020	13 December 2018	16 January 2019	14 May 2019	30 July 2019
Expiry date:	25 August 2023	11 December 2022	15 March 2021	15 March 2021	15 March 2021
Share price at grant date ($):	0.100	0.220	0.225	0.175	0.140
Exercise price ($):	0.055	0.35	0.35	0.35	0.35
Weighted average life of the option (years):	2.88	4.00	1.89	1.82	1.44
Expected share price volatility:	138.00 %	100.00 %	105.87 %	80.44 %	118.90 %
Dividend yield:	- %	- %	- %	- %	- %
Risk-free interest rate:	0.28 %	2.02 %	1.85 %	1.28 %	0.84 %
Fair value at grant date ($):	0.08	0.14	0.10	0.04	0.04

Historical volatility has been the basis for determining expected share price volatility as it assumed that this is indicative of future movements.

The share price at 31 December 2020 was $0.079.

18 Tax assets and liabilities

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following:

	2020 $	2019 $
Unused tax losses for which no deferred tax asset has been recognised	**1,906,977**	718,108
Potential tax benefit at 30%	**572,093**	215,432

Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therein.

19 Interests in Subsidiaries

Composition of the Group

	Principal place of business / Country of Incorporation	Percentage Owned (%)* 2020	Percentage Owned (%)* 2019
Subsidiaries:			
Tymlez Holding B.V.	Netherlands	**100**	100
Tymlez GmbH	Germany	**100**	100
Tymlez Properties B.V.	Netherlands	**100**	100
Tymlez B.V.	Netherlands	**100**	100
Tymlez Inc.	United States of America	**100**	100
Tymlez Pty Ltd	Australia	**100**	-

* The percentage of ownership interest held is equivalent to the percentage voting rights for all subsidiaries.

20 Operating Segments

Segment information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

Management has determined that the Group has four reportable segments, namely, Australia, the Netherlands, Germany and the United States of America. The Group is managed primarily on the basis of geographical segments as the operations of the Group in each of these geographic areas have different risk profiles and environment in which the business operates in. Operating segments are therefore determined on the same basis.

Basis of accounting for purposes of reporting by operating segments

(a) Accounting policies adopted

Unless stated below, all amounts reported to the Board of Directors, being the chief operating decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Group.

(b) Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

(c) Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

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20 Operating Segments (continued)

(d) Segment performance

	Australia		Netherlands		Germany		United States of America		Elimination		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	$	$	$	$	$	$	$	$	$	$	$	$
REVENUE												
Revenue from external customers	**-**	-	**191,841**	306,921	**-**	-	**943**	-	**-**	-	**192,784**	306,921
Inter-segment revenue	**-**	-	**-**	-	**632,943**	1,411,901	**-**	-	**(632,943)**	(1,411,901)	**-**	-
Interest income	**87,471**	361,482	**-**	43,206	**-**	-	**-**	-	**(87,103)**	(402,614)	**368**	2,074
Total segment revenue	**87,471**	361,482	**191,841**	350,127	**632,943**	1,411,901	**943**	-	**(720,046)**	(1,814,515)	**193,152**	308,995
Depreciation and amortisation	**-**	-	**-**	545,377	**-**	108,474	**-**	1,952	**-**	-	**-**	655,803
Impairment of non-current assets	**-**	14,724,902	**-**	1,958,583	**-**	261,787	**-**	7,012	**-**	(14,724,902)	**-**	2,227,382
Interest expense	**16,991**	2,828	**68,478**	372,289	**16,177**	28,754	**26,039**	21,316	**(87,103)**	(402,614)	**40,582**	22,573
Other segment expenses	**1,417,188**	802,917	**2,572,345**	3,449,609	**517,207**	1,310,619	**22,986**	53,457	**(724,396)**	(1,492,520)	**3,805,330**	4,124,082
Income tax expense	**-**	-	**-**	-	**1,272**	(1,260)	**-**	-	**-**	-	**1,272**	(1,260)
Total segment expenses	**1,434,179**	15,530,647	**2,640,823**	6,325,858	**534,656**	1,708,374	**49,025**	83,737	**(811,499)**	(16,620,036)	**3,847,184**	7,028,580
Segment operating profit/(loss)	**(1,346,708)**	(15,169,165)	**(2,448,982)**	(5,975,731)	**98,287**	(296,473)	**(48,082)**	(83,737)	**91,453**	14,805,521	**(3,654,032)**	(6,719,585)

20 Operating Segments (continued)

(e) Segment assets

	Australia		Netherlands		Germany		United States of America		Elimination		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	$	$	$	$	$	$	$	$	$	$	$	$
Segment assets	**4,588,071**	1,455,552	**894,809**	217,434	**40,279**	191,693	**3,313**	15,443	**(3,400,496)**	(760,966)	**2,125,976**	1,119,156
Segment asset increases for the period:												
- Capital expenditure	**-**	-	**-**	-	**-**	22,756	**-**	1,294	**-**	-	**-**	24,050
- Acquisitions	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Total segment assets	**4,588,071**	1,455,552	**894,809**	217,434	**40,279**	214,449	**3,313**	16,737	**(3,400,496)**	(760,966)	**2,125,976**	1,143,206

(f) Segment liabilities

	Australia 2020	Australia 2019	Netherlands 2020	Netherlands 2019	Germany 2020	Germany 2019	United States of America 2020	United States of America 2019	Elimination 2020	Elimination 2019	Total 2020	Total 2019
Segment liabilities	**820,530**	318,333	**3,190,252**	216,809	**216,623**	427,432	**739,518**	701,268	**(3,400,395)**	(760,966)	**1,566,528**	902,876
Total segment liabilities	**820,530**	318,333	**3,190,252**	216,809	**216,623**	427,432	**739,518**	701,268	**(3,400,395)**	(760,966)	**1,566,528**	902,876

21 Financial Risk Management

The Group's principal financial instruments comprise of trade receivable, trade payables, borrowings and cash at bank. The main purpose of holding these instruments is to invest surplus members' funds in order to maximise returns while not exposing the Group to high levels of risk.

This note presents information about the Group's exposure to financial instrument risks, its objectives, policies and processes for measuring and managing risk.

The totals for each category of financial instruments, measured in accordance with AASB 9 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2020 $	2019 $
Financial Assets			
Financial assets at amortised cost:			
Cash and cash equivalents	8	**1,841,170**	714,430
Loans and receivables	9	**40,835**	130,815
Total financial assets		**1,882,005**	845,245
Financial Liabilities			
Financial liabilities at amortised cost:			
- Trade and other payables	11	**651,962**	543,027
- Borrowings	12	**880,434**	332,289
Total financial liabilities		**1,532,396**	875,316

Objectives, policies and processes

The Board of Directors has overall responsibility for the establishment and oversight of the Group's financial risk management framework. This includes the development of policies covering specific areas such as foreign exchange risk, interest rate risk, credit risk and the use of derivatives.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The day-to-day risk management is carried out by the Group's finance function under policies and objectives which have been approved by the Board of Directors. The Chief Financial Officer has been delegated the authority for designing and implementing processes which follow the objectives and policies. This includes monitoring the levels of exposure to interest rate and foreign exchange rate risk and assessment of market forecasts for interest rate and foreign exchange movements.

The Board of Directors receives monthly reports which provide details of the effectiveness of the processes and policies in place.

It is, and has been throughout the period under review, the Group's policy that no trading of financial instruments shall be undertaken. The main risks arising from holding these financial instruments are foreign exchange risk, interest rate risk, liquidity risk and credit risk. The Group is not exposed to price risk. Mitigation strategies for specific risks faced are described below:

21 Financial Risk Management (continued)

Liquidity risk

Liquidity risk arises from the Group’s management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due.

The Group’s policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities as and when they fall due. The Group maintains cash and marketable securities to meet its liquidity requirements for up to 30-day periods. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash-outflows due in day-to-day business.

Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for a 180-day and a 360-day period are identified monthly.

At the reporting date, these reports indicate that the Group expects to have sufficient liquid resources to meet its obligations under all reasonably expected circumstances.

The table below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

The Group's liabilities have contractual maturities which are summarised below:

	Not later than 1 month		Less than 12 months		1 to 2 years	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
	$	**$**	**$**	**$**	**$**	**$**
Trade and other payables	**651,962**	543,027	**-**	-	**-**	-
Lease liability	**5,487**	5,224	**59,112**	56,447	**67,827**	64,753
Insurance premium funding	**15,723**	15,289	**114,397**	111,162	**-**	-
Loan from Netherlands government	**-**	-	**227,435**	-	**303,246**	-
Total	**673,172**	563,540	**400,944**	167,609	**371,073**	64,753

	2 to 5 years		Later than 5 years		Total Contractual Cashflow/ Carrying Amount	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
	$	**$**	**$**	**$**	**$**	**$**
Trade and other payables	**-**	-	**-**	-	**651,962**	543,027
Lease liability	**11,396**	79,414	**-**	-	**143,822**	205,838
Insurance premium funding	**-**	-	**-**	-	**130,120**	126,451
Loan from Netherlands government	**75,811**	-	**-**	-	**606,492**	-
Total	**87,207**	79,414	**-**	-	**1,532,396**	875,316

21 Financial Risk Management (continued)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group.

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposure to wholesale customers, including outstanding receivables.

The Group has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The utilisation of credit limits by customers is regularly monitored by line management. Customers who subsequently fail to meet their credit terms are required to make purchases on a prepayment basis until creditworthiness can be re-established.

As a result of the type of product and service provided by the Group, trade receivables may consist of customers, spread across diverse industries and geographical areas. Ongoing credit evaluation is performed on the financial condition of accounts receivable. As at 31 December 2020 and 31 December 2019, the Group did not have any trade receivables.

Management considers that all the financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due.

The credit risk for liquid funds and other short-term financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties.

On a geographical basis, the Group has significant credit risk exposure in the Netherlands given the substantial operations in that region.

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. As at 31 December 2020 and 31 December 2019, the Group did not have any trade receivables, accordingly, expected credit losses were not assessed.

The Group does not hold any financial assets with terms that have been renegotiated, but which would otherwise be past due or impaired.

The other classes of receivables do not contain impaired assets.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

21 Financial Risk Management (continued)

(i) Interest rate risk

The Group is exposed to interest rate risk as surplus funds are invested at floating rates. Borrowings are issued at fixed rates and may expose the Group to fair value interest rate risk. As at 31 December 2020, the only borrowings the Group has relate to the insurance premium funding and the loan from the Netherlands government (refer to Note 12 for further details) (31 December 2019: insurance premium funding).

The Group's policy is to minimise cash flow interest rate risk exposures on long-term financing. Longer-term borrowings are therefore usually at fixed rates. At the reporting date, the Group is exposed to changes in market interest rates through its bank deposits, which are subject to variable interest rates.

	2020	2019
	$	$
Floating rate instruments		
Cash at bank	**1,841,170**	714,430
Total floating rate instruments	**1,841,170**	714,430

(ii) Foreign exchange risk

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

Exposures to currency exchange rates arise from the Group's overseas operations, hence sales and purchases, which are primarily denominated in Euro and USD.

The Group does not hedge nor apply hedge accounting. The implications of this decision are that unrealised foreign exchange gains and losses are recognised in profit and loss in the period in which they occur.

Generally, the Group‘s risk management procedures distinguish short-term foreign currency cash flows (due within 6 months) from longer-term cash flows. Where the amounts to be paid and received in a specific currency are expected to largely offset one another, no further hedging activity is undertaken.

Foreign currency denominated financial assets and liabilities, translated into Australian Dollars at the closing rate, are as follows:

	USD	EUR	AUD	Total AUD
2020	$	$	$	$
Nominal amounts				
Financial assets	**3,314**	**104,095**	**1,774,596**	**1,882,005**
Financial liabilities	**(8)**	**(933,388)**	**(599,000)**	**(1,532,396)**
Short-term exposure	**3,306**	**(829,293)**	**1,175,596**	**349,609**
2019				
Nominal amounts				
Financial assets	7,909	309,166	528,170	845,245
Financial liabilities	(7,168)	(549,815)	(318,333)	(875,316)
Short-term exposure	741	(240,649)	209,837	(30,071)

21 Financial Risk Management (continued)

Net Fair Values

Fair value estimation

The fair values of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables and payables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. None of the Group's financial instruments are recognised at fair value post initial recognition.

22 Key Management Personnel Remuneration

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity are considered key management personnel.

The names of directors who have held office during the financial year are outlined in the Directors' Report.

In addition, Mr Stephen Daniel Friel (Chief Technology Officer), acts in a capacity which meets the definition of key management personnel.

Refer to the remuneration report contained in the Directors' Report for details of the remuneration paid or payable to each member of the KMP for the year ended 31 December 2020.

Key management personnel remuneration included within employee expenses for the year is shown below:

	2020	2019
	$	$
Short-term employee benefits	**579,402**	800,319
Post-employment benefits	**8,843**	8,368
Share-based payments	**345,165**	20,797
Total key management personnel remuneration	**933,410**	829,484

23 Related Parties

(a) The Group's main related parties are as follows:

Subsidiaries - refer to Note 19.

Key management personnel - refer to Note 22.

Other related parties include close family members of key management personnel and entities that are controlled or significantly influenced by those key management personnel or their close family members.

(b) Transactions with related parties

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

23 Related Parties (continued)

(b) Transactions with related parties (continued)

The following transactions occurred with related parties:

	Expenses $	Revenue $	Balance outstanding: Owed to the Company $	Balance outstanding: Owed by the Company $
KMP related parties				
Peak Asset Management Pty Ltd *:				
- 2020 **	262,920	-	-	22,000
- 2019 **	-	-	-	48,976
Subsidiaries				
Loan to Tymlez Holding B.V.:				
- 2020	-	87,103	2,439,942	-
- 2019	-	359,429	760,966	-
Loan to Tymlez Pty Ltd:				
- 2020	-	-	220,944	-
- 2019	-	-	-	-

* Niv Dagan is an executive director of Peak Asset Management Pty Ltd ("Peak") which acted in the capacity of lead manager and consultant to the Group's fund raising during both years, both before and after his appointment as a director. Niv was appointed as non-executive director of the Group on 29 November 2019 and resigned on 14 September 2020. Accordingly, amounts disclosed here only relate to transactions occuring during the period that he was a key management personnel.

** The amount relates to capital raising fees pursuant to a signed mandate with Peak. This expense has been capitalised as capital raising fees in equity.

(c) Loans to/from related parties

Unsecured loans are made to the ultimate parent entity, subsidiaries, key management personnel and other related parties on an arm's length basis.

	Note	Opening balance $	Closing balance $	Interest paid/payable $
Loans to subsidiary (Tymlez Pty Ltd)				
2020		**-**	**220,944**	**-**
2019		-	-	-
Loans to subsidiary (Tymlez Holding B.V.) *				
2020	23(b)	**760,966**	**2,439,942**	**87,103**
2019		5,319,318	760,966	359,429

* This loan is unsecured and interest is charged monthly in arrears on the outstanding portion of the loan account at 5% per annum. There are no fixed repayment terms in respect of the outstanding loan balance and the maximum outstanding balance in the loan is capped at EUR 3,500,000 (equivalent to A$5,596,418). Further, on 31 December 2019, the Board of Directors of the Group resolved to convert EUR 5,000,000 (equivalent to A$7,994,883) to equity in Tymlez Holding B.V.. This conversion has been reflected in the figures above for the current year.

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24 Auditors' Remuneration

	2020	2019
	$	$
Remuneration of the auditor HLB Mann Judd, for:		
- auditing or reviewing the financial statements of the Group	**36,000**	37,050
	36,000	37,050
Remuneration of other auditors (HLB Network Firms) of subsidiaries for:		
- auditing or reviewing the financial statements of subsidiaries	**33,083**	91,794
	33,083	91,794
Total auditors' remuneration	**69,083**	128,844

25 Leasing Commitments

Operating Leases - short term leases

	2020	2019
	$	$
Minimum lease payments under non-cancellable operating leases:		
- not later than one year	**-**	28,884
- between one year and five years	**-**	-
- later than five years	**-**	-
Total minimum lease payments	**-**	28,884

Operating leases were in place for the following as at 31 December 2020 and 31 December 2019:

- The Group commenced a new lease at a new location in Amsterdam, the Netherlands from 1 September 2019 for a period of 1 year at a rate of EUR2,258 per month. This lease was subsequently extended to 31 May 2021 during the current financial year.

26 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2020 (31 December 2019: None).

27 Impact of COVID-19

A state of emergency was declared in Victoria on 16 March 2020 and extended to 9 April 2021, due to the global coronavirus pandemic, known as COVID-19. A state of disaster that was declared on 2 August 2020 ended on 8 November 2020. The Australian Government, together with State and Territory Premiers, announced a series of measures aimed at preventing the spread of COVID-19. Governments of other countries where the Group is active, such as The Netherlands, Germany and the USA have also announced similar measures.

The ongoing measures create uncertainties in relation to the future financial performance of the Group. Despite the Group being primarily focused on the online, decentralized business concept, it is acknowledged that as a result of the current global situation, business has slowed down in a substantial way. For this reason, management has performed a risk assessment and formed alternative forecast scenarios that are used as guidelines for the near future. The forecast is based on the experience that business has slowed down substantially.

27 Impact of COVID-19 (continued)

Where applicable, the uncertainties around key estimates and significant judgements have been disclosed.

In addressing and implementing the necessary changes to ensure the Group complies with these measures, the Board has agreed to implement, amongst others, the following:

- The Group was successful in its application for a payroll grant in the Netherlands for a total amount of €52k (A$87k). As at the date of this report, the Group received €45k (A$74k);
- The Group was successful in its application for a loss of production capacity grant in Germany for a total amount of €15k (A$25k). As at the date of this report, the full amount had been received.
- The Group applied for and received in the Netherlands a government COVID-19 bridge loan of €375k (A$619k);
- Travel and marketing costs have been reduced;
- Where possible and fair, suppliers have been asked to accept late(r) repayments; and
- Costs of development have been reduced.

Management are constantly in the process of quantifying the other possible impacts associated with the implementation of these measures and have estimated the resulting impact (financial and operational) that this might have on the Group's future results and financial position, which include the following:

- The reduction in costs for the year are projected to offset the decrease in revenues; and
- Development will take place at a slower pace.

28 Events Occurring After the Reporting Date

The consolidated financial report was authorised for issue on 31 March 2021 by the board of directors.

On 30 October 2020, the Group announced it had signed a consortium agreement with leading Dutch Enterprises and Institutions (the consortium project is named "TROEF" - Transparent Reduction of CO2 and Optimisation of Energy in an Ecosystem of Flexibility) to develop an "Internet of Energy" solution. This coorperation agreement has a term of 4 years and was subject to the award of a Dutch Government grant. On 15 February 2021, the consortium has received Dutch Government funding approval and the initial project grant for the Group is €675,000 over 4 years to develop and test the carbon credit trading platform in a live environment. The grant covers project costs during development, but excludes any license and consulting revenue for follow on large scale roll outs. These are envisaged to occur from 2022 and onwards.

Mr Stephen Daniel Friel resigned as Chief Technology Office of the Group on 8 March 2021.

On 10 March 2021, the Board agreed on the following in respect of the director service agreements:

- The current share-based fee compensation arrangements with Mr Wayne Clay will be cancelled with effect from 1 March 2021. Further, with effect from 1 March 2021, the Board resolved that the Chairman (currently, Mr Clay) receive a fee of A$85,000 cash or, subject to Mr Clay's agreement and shareholder approval, may be paid in shares. The Board resolution has been accepted by Mr Clay whom has also agreed to waive all director fees previously agreed to be paid in equity up to 1 March 2021.

28 Events Occurring After the Reporting Date (continued)

- With effect from 1 March 2021, the Board resolved that the Non-Executive Director fee for Mr Ebbeck be increased to A$75,000 in cash per year or, subject to individual agreement and shareholder approval, may be paid in shares. The Board resolution has been accepted by Mr Ebbeck whom has also agreed to waive all director fees previously agreed to be paid in shares up to 1 March 2021.

- From 1 April 2021, the Board resolved that Mr Daniel O'Halloran's remuneration be changed to A$250,000 per year. The Board noted the current importance of maintaining Mr O'Halloran as CEO and noted his capacity to earn higher remuneration elsewhere.

Further, the Directors have agreed to defer realignment in remuneration until the Group's cash position is improved.

The COVID-19 pandemic has created unprecedented economic uncertainty. Actual economic events and conditions in the future may be materially different from those estimated by the Group at the reporting date. As responses by government continue to evolve, management recognises that it is difficult to reliably estimate with any degree of certainty the potential impact of the pandemic after the reporting date on the Group’s operations, its future results and financial position. Subsequent to the end of the financial year, the state of emergency in Victoria was extended until 9 April 2021. Refer to Note 27 for further information regarding the impact of COVID-19 on the Group's operations.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

29 Parent entity

The following information has been extracted from the books and records of the parent, Tymlez Group Limited and has been prepared in accordance with Australian Accounting Standards.

The financial information for the parent entity, Tymlez Group Limited has been prepared on the same basis as the consolidated financial statements except as disclosed below.

Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the consolidated financial statements of the parent entity. Dividends received from associates are recognised in the parent entity profit or loss, rather than being deducted from the carrying amount of these investments.

29 Parent entity (continued)

	2020	2019
	$	$
Statement of Financial Position		
Assets		
Current assets	**4,446,981**	694,586
Non-current assets	**126,329**	760,966
Total Assets	**4,573,310**	1,455,552
Liabilities		
Current liabilities	**554,949**	318,333
Total Liabilities	**554,949**	318,333
Equity		
Issued capital	**16,657,725**	14,614,311
Retained earnings/(Accumulated losses)	**(16,060,543)**	(14,964,755)
Deferred consideration shares reserve	**602,019**	602,019
Options reserve	**2,819,160**	885,644
Total Equity	**4,018,361**	1,137,219
Statement of Profit or Loss and Other Comprehensive Income		
Total profit/(loss) for the year	**(1,095,788)**	(15,169,165)
Total Comprehensive Income	**(1,095,788)**	(15,169,165)

Guarantees

There were no financial guarantees held by the parent entity as at 31 December 2020 or or 31 December 2019.

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Contingent liabilities

The parent entity did not have any contingent liabilities as at 31 December 2020 or 31 December 2019, other than those outlined in Note 26.

Contractual commitments

The parent entity did not have any commitments as at 31 December 2020 or 31 December 2019.

30 Statutory Information

The registered office and principal place of business of the Company is:

Tymlez Group Limited
c/o Moray & Agnew
Level 6, 505 Little Collins Street
Melbourne VIC 3000

The principal place of business is:

Tymlez Group Limited
Suite 103, Level 1, 2 Queen Street
Melbourne VIC 3000

Tymlez Holding B.V.
Kraanspoor 50
1033 SE Amsterdam
The Netherlands

Directors' Declaration

The directors of the Company declare that:

1. the consolidated financial statements and notes for the year ended 31 December 2020 are in accordance with the *Corporations Act 2001* and:

    a. comply with Accounting Standards, which, as stated in basis of preparation Note 1 to the consolidated financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and

    b. give a true and fair view of the financial position and performance of the consolidated group;

2. the Chief Executive Officer and Chief Finance Officer have given the declarations required by Section 295A of the *Corporations Act 2001*.

3. in the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable, based on the factors outlined in Note 1 "Going Concern" to the financial statements.

This declaration is made in accordance with a resolution of the Board of Directors.

Executive Director & CEO: Daniel O'Halloran ....

Daniel O'Halloran

Executive Director & CFO: ....

Jitze Jongsma

Dated this 31st day of March 2021

Independent Auditor's Report to the Members of Tymlez Group Limited

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Tymlez Group Limited ("the Company") and its controlled entities ("the Group"), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 31 December 2020 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group 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* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Regarding Going Concern

We draw attention to Note 1 in the financial report, which indicates that the Group incurred a net loss of $3,654,032 during the year ended 31 December 2020 (2019: $6,719,585) and, as of that date, had net asset of $559,448 (2019: $240,330). As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1 Going Concern, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the *Material*

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Uncertainty Regarding Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Share-based payments Refer to note 13 (issued capital), 14 (equity – reserves), 17 (share-based payments).	
The Group pays its employees, directors and contractors through the issue of ordinary shares and options over shares. During the year, there were several share-based payments made to settle liabilities owing to employees, directors and contractors. The valuation and accounting for share-based payments is complex and is subject to management's estimates and judgement.	Our audit procedures included: • Verifying the key terms and conditions of equity settled share-based payments in respect of ordinary shares and options over shares to the relevant agreements, for services rendered by employees, directors and contractors. • Assessing and testing the fair value calculation of share-based payments by checking the accuracy of the inputs to source documents and performing a cross check against our own findings. • Testing the accuracy of the share-based payments amortisation over the vesting periods (where applicable) and the recording of expenses in the statement of profit or loss and movement in the share-based payment reserve. • Checking the adopted disclosures for compliance with the requirements of AASB 2 *Share-based Payment*.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 31 December 2020, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 11 to 19 of the directors' report for the year ended 31 December 2020.

In our opinion, the Remuneration Report of Tymlez Group Limited for the year ended 31 December 2020 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Jude Lau
Partner

Melbourne
31 March 2021

Additional Information for Listed Public Companies
For the Year Ended 31 December 2020

ASX Additional Information

Additional information required by the ASX Listing Rules and not disclosed elsewhere in this report is set out below. This information is effective as at 17 March 2021.

Substantial shareholders

The number of substantial shareholders and their associates are set out below:

Shareholders	Number of Shares	% of issued shares
Tyhold 2 B.V., Timeless-Systems GmbH and Mr Michael Reh	65,404,233	22.40 %
Tyhold 2 B.V., Fergil B.V. and Mr Reinier van der Drift	65,404,233	22.40 %
Gold Coast Tweed Pet Motels Pty Ltd <Tymlez 1 A/C> and Associates	44,092,199	15.10 %
10 Bolivianos Pty Ltd and Associates	16,881,179	5.78 %

Voting rights

Ordinary Shares

On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options

No voting rights.

Distribution of equity security

Analysis of numbers of equity security holders by size of holding:

	Ordinary Shares	
Holding	**Shares**	**Options**
1 - 1,000	23	4
1,001 - 5,000	54	24
5,001 - 10,000	94	20
10,001 - 100,000	510	127
100,001 and over	229	56
Total	**910**	**231**

Based on the price per security, there were 207 holders of less than a marketable parcel of ordinary shares. This equates to a total of 1,378,675 ordinary shares (0.47% of total issued capital).

Additional Information for Listed Public Companies

For the Year Ended 31 December 2020

Twenty largest shareholders - Ordinary shares

The names of the twenty largest holders of quoted equity securities are listed below:

	Ordinary Shares Number Held	% of issued shares
Tyhold 2 B.V.	65,404,233	22.40 %
Gold Coast Tweed Pet Motels Pty Ltd <Tymlez 1 A/c>	37,500,000	12.84 %
10 Bolivianos Pty Ltd	17,278,461	5.92 %
Mr Daniel Joseph O'Halloran	11,300,321	3.87 %
Pyxis Holdings Pty Ltd <The Mapletree A/c>	7,450,006	2.55 %
Fergil BV	6,024,432	2.06 %
Granet Superannuation and Investment Services PL <Granet Super Fund A/c>	5,774,886	1.98 %
Mr Noel Russell Cameron & Dr Belinda Caroline Goad <Noel Cameron Super Fund A/c>	5,745,417	1.97 %
Borchsate Beheer BV	5,456,250	1.87 %
Hamilton Hawkes Pty Ltd <Whitcombe Family A/c>	5,299,388	1.81 %
Mr Gavin Jeremy Dunhill	4,000,000	1.37 %
Flourich Pty Ltd <GT & JH Super Fund A/c>	3,992,994	1.37 %
Buprestid Pty Ltd <Hanlon Family Super A/c>	3,725,036	1.28 %
JP Morgan Nominees Australia Pty Limited	3,087,929	1.06 %
Mr Graham John Walker	3,017,954	1.03 %
Marrah Capital Investment Pty Ltd <Gardiner Brookes Super A/c>	2,250,000	0.77 %
Mrs Kathryn Valerie van der Zwan <Harleston Family A/c>	2,065,452	0.71 %
Vadlamudi (Medical) Pty Ltd <Ramineni Super Fund A/c>	2,000,000	0.68 %
Mr Peter Anthony <Peter Anthony Family A/c>	2,000,000	0.68 %
Myconsulting Pty Ltd	1,996,000	0.68 %
Total	**195,368,759**	**66.90 %**

Additional Information for Listed Public Companies

For the Year Ended 31 December 2020

Twenty largest option holders - Listed Options (TYMO)

The names of the twenty largest holders of listed options are listed below:

	Listed Options Number held	% of issued options
Mr Michael John Fimeri	2,186,333	6.67 %
Mr Duncan Gerard Gowans & Mrs Jodie Louise Gowans <Gowans Superfund A/c>	2,000,000	6.10 %
10 Bolivianos Pty Ltd	1,538,740	4.69 %
Buprestid Pty Ltd <Hanlon Family Super A/c>	1,416,478	4.32 %
Pyxis Holdings Pty Ltd <The Mapletree A/c>	1,181,818	3.61 %
Mr Daniel Joseph O'Halloran	1,136,363	3.47 %
Mr Michael Fimeri	1,100,000	3.36 %
Conteck Nederland BV	1,000,000	3.05 %
Altor Capital Management Pty Ltd <Altor Alpha Fund A/c>	909,091	2.77 %
Mr John Anthony Phelan & Mrs Brenda Margaret Phelan <Phelan Super Fund A/c>	894,546	2.73 %
Mr Noel Russell Cameron & Dr Belinda Caroline Goad <Noel Cameron Super Fund A/c>	727,273	2.22 %
Flourich Pty Ltd <GT & JH Super Fund A/C>	717,769	2.19 %
BT portfolio Services Limited <Caergwrle Invest P/L A/c>	681,818	2.08 %
Cranley Consulting Pty Ltd <Cranley Consulting A/c>	611,357	1.87 %
Klockmann Investments Pty Ltd <Klockmann Family Super A/c>	568,182	1.73 %
Vector Nominees Pty Limited <The Wright Family A/c>	568,182	1.73 %
Fergil BV	568,182	1.73 %
Ms Eileen Lilian Collns & Mr Adam James Champion <The Eileen Collins Unit A/c>	553,897	1.69 %
Marrah Capital Investment Pty Ltd <Gardiner Brookes Super A/c>	500,000	1.53 %
Mr Graham John Walker	477,273	1.46 %
Allegro Capital Nominees Pty Ltd <Allegro Capital Account>	454,546	1.39 %
Ausitano Holdings Pty Ltd	454,545	1.39 %
Ali Burn & Gery Sullivan <P J Roughan Family A/c>	454,545	1.39 %
Mr Kerry David Series	454,545	1.39 %
Total	**21,155,483**	**64.56 %**

Unissued equity securities

Options issued:

- 2,000,000 unlisted options exercisable at $0.35 expiring 11 December 2022 (5 holders)
- 1,770,000 unlisted options exercisable at $0.055 expiring 25 August 2023 (10 holders)

Securities exchange

The Company is listed on the Australian Securities Exchange.