Tymlez Group Limited

ABN 37 622 817 421

Consolidated Financial Statements

For the Year Ended 31 December 2021

Tymlez Group Limited

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Tymlez Group Limited

Corporate Governance Statement

For the Year Ended 31 December 2021

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 reviews 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 2021 corporate governance statement is dated as at 31 December 2021 and reflects the corporate governance practices in place throughout the 2021 financial year. The 2021 corporate governance statement will be approved by the Board on 30 April 2022. 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.

Directors' Report

For the Year Ended 31 December 2021

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 2021.

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	
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	36,150,963 ordinary shares; 1,261,363 listed options (TYMO); 35,044,424 unlisted options
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

Jason Conroy	(Appointed 1 November 2021)
Qualifications	Master of Business Administration (MBA); Bachelor of Commerce (Accounting); Fellow of Chartered Accountants Australia and New Zealand
Experience	Jason is a highly experienced executive and non-executive director with over 30 years' international experience in the energy, infrastructure, and renewables sectors. He has a solid track record for creating value through corporate finance, restructuring, transformation, and mergers and acquisitions.
Interest in shares and options	N/A
Special responsibilities	Acting Non-Executive Chairman; Chair of Audit and Risk Committee; Chair of Nominations and Remuneration Committee
Other current directorships in listed entities	N/A
Other directorships in listed entities held in the previous three years	Verdant Minerals Ltd (ASX: VRM) (resigned 18 June 2019)

Directors' Report
For the Year Ended 31 December 2021

Information on directors (continued)

Luca Febbraio	(Appointed 1 November 2021)
Qualifications	Master's degree in electronic and automation engineering MIT Sloan Blockchain Technologies: Business Innovation and Application training course
Experience	Luca has over 25 years' international experience in corporate and business development, in the energy and infrastructure sectors. Luca was Associated Director at Macquarie Bank, focusing on the origination and techno-commercial due diligence of investment opportunities in projects and companies in the new energy space (renewable, BESS, green H2, biogas) and waste (FOGO).
Interest in shares and options	N/A
Special responsibilities	Non-Executive Director
Other current directorships in listed entities	N/A
Other directorships in listed entities held in the previous three years	N/A

Rhys George Evans	(Appointed 7 February 2022)
Qualifications	LLB, Law
Experience	Rhys Evans is a skilled legal advisor with extensive corporate and commercial experience gained during a period over 25 years of working in large, medium and boutique firms and in-house for companies operating in the technology, banking and financial services sectors.
Interest in shares and options	206,477 ordinary shares
Special responsibilities	Non-Executive Director
Other current directorships in listed entities	N/A
Other directorships in listed entities held in the previous three years	N/A

Jitze Jongsma	(Resigned 31 December 2021)
Interest in shares and options	8,091,914 ordinary shares; 68,182 listed options (TYMO); 8,000,000 unlisted options as at the date of resignation
Special responsibilities	Former Executive Director; Former Chief Financial Officer
Other current directorships in listed entities	N/A
Other directorships in listed entities held in the previous three years	N/A

Wayne Clay	(Resigned 30 November 2021)
Interest in shares and options	4,380,553 unlisted options as at the date of resignation
Special responsibilities	Former Non-Executive Chairman
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 2021

Information on directors (continued)

Tim Ebbeck	(Resigned 31 October 2021)
Interest in shares and options	136,500 ordinary shares; 4,380,553 unlisted options as at the date of resignation
Special responsibilities	Former Non-Executive Director; Former Chair of Audit and Risk Committee; Former Chair of Nominations and Remuneration Committee
Other current directorships in listed entities	ReadyTech Limited (ASX: RDY) XPON Technologies Limited (ASX: XPN) Envirosuite Limited (ASX: EVS)
Other directorships in listed entities held in the previous three years	IXUP Limited (ASX: IXU) - resigned in 2018

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 persons 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. Subsequent to year end, Justyn resigned as company secretary on 4 February 2022.

- Belinda Cleminson was appointed company secretary on 3 September 2021. Belinda has over 18 years' experience as a company secretary of Australian listed and unlisted companies including ASX 200 clients. Belinda is the company secretary of various public and private companies, including ASX, NZX and OTC listed companies across a range of industries including investment management, biotechnology, media, healthcare and e-commerce. Belinda is a member of the Governance Institute of Australia, and a Member of the Australian Institute of Company Directors.

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 $3,646,443 (2020: $3,654,032).

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.

Directors' Report

For the Year Ended 31 December 2021

Review of operations

During the year from 1 January to 31 December 2021, the Group has focused on strengthening its core capabilities and preparing for growth.

Following the announcement in late 2020 of a fundamental shift in strategic direction towards focusing on solutions for the energy and sustainability sectors, the Group has taken steps to operationalise the change in its approach to the market. The revenue model has also shifted from perpetual licensing with ongoing maintenance fees to a subscription model that is both scalable and more aligned with customer success and needs.

Some operational highlights for the Group in the year ended 31 December 2021 included the following:

- The Group was part of a small group of highly respected organisations (Transparent Reduction of CO2 and Optimisation of Energy in an Ecosystem of Flexibility (“TROEF”) consortium) to be awarded a major grant of €675,000 over 4 years for a Netherlands based project to develop a de-centralised energy system;
- In May 2021, the Group was awarded a Gold Coast Health and Knowledge Precinct (GCHKP) Investment Attraction Program Grant totalling $645,500 over 2 years which provides the Group with financial assistance including tenancy and tax rebates, incentives for capital investment, research and development, job creation, and head office establishment. The grant also covers workforce advisory services and ongoing support;
- The Group signed a pilot agreement with the Queensland Government to implement its smart energy and carbon emissions reporting solution in the Gold Coast Health and Knowledge Precinct;
- The Group signed a pilot agreement with UON to capture CO^2 relevant data and calculate carbon emissions from a dewatering site in Western Australia's Pilbara region. The site is a supplier to a major iron ore producer;
- The Group refreshed its Board with the appointment of two new Board members with backgrounds in Energy and Finance;
- The Group appointed a number of highly experienced executives to its leadership team to drive the business; and
- The Group completed a successful equity raise through the issue of new shares, from which a total of A$6.921 million (before costs) was raised.

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) Issue of 540,910 full 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);

ii) Issue of 108,000,000 fully paid ordinary shares at $0.01 under private placement;

iii) Issue of 584,073,742 fully paid ordinary shares at $0.01 on completion of a rights issue;

iv) Issue of 200,000 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) as settlement of an outstanding debt owing to Peak Asset Management Pty Ltd ("Peak");

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

Matters or circumstances arising after the end of the period

The Company entered into a Director's Service Agreement with Mr Rhys Evans on 7 February 2022 in relation to his appointment as Non-Executive Director of the Company. Pursuant to this agreement, Mr Evans is entitled to directors' fees of $75,000 per annum. The fee for the first 12 months is accrued and paid, in arrears, at the end of each 6 month period, either in cash or shares. The conversion shares is subject to shareholders approval and will be calculated based on the accrued amount and the closing price of shares on Mr Evans' commencement date (that is, $0.030).

On 22 March 2022, the Group announced a strategic partnership with the HBAR Foundation Sustainable Impact Fund, which funds projects focused on increasing transparency in environmental markets on the Hedera network. The Group will partner with HBAR Foundation to develop one of the world's most secure, trusted and scalable carbon reporting solutions for ESG compliance, Guarantee of Origin (GO), and Voluntary Carbon Market (VCM) ecosystems, leveraging the Group's ability to ingest encrypted and verified data directly from IoT devices. As part of the partnership, the Group has been awarded a US$1m (approximately A$1.4m) grant by the HBAR Foundation, a fund dedicated to growing the Hedera ecosystem, and will receive US$100,000 (approximately A$140,000) as an upfront payment. The grant will be progressively drawn down by the Group on the achievement of development milestones over the term of the grant (4 years). The Group does not expect to incur any material expenses associated with claiming down on the grant. Either party is eligible to terminate the grant for non-performance.

The COVID-19 pandemic continues to create 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. Refer to Note 29 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.

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, 14 meetings of directors (including committees of directors) were held. Committee meetings for the financial year were conducted as part of the Board meeting. No separate committee meetings were held. Attendances by each director during the year were as follows:

	Directors' Meetings	
	Number eligible to attend	Number attended
Daniel O'Halloran	14	14
Jason Conroy (Appointed 1 November 2021)	2	2
Luca Febbraio (Appointed 1 November 2021)	2	2
Rhys George Evans (Appointed 7 February 2022)	-	-
Jitze Jongsma (Resigned 31 December 2021)	14	14
Wayne Clay (Resigned 30 November 2021)	13	13
Tim Ebbeck (Resigned 31 October 2021)	12	12

Indemnification and insurance of officers and auditors

On 22 November 2021, 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	$0.350	2,000,000
15 November 2019	31 December 2023	$0.065	13,863,638
03 December 2019	31 December 2023	$0.065	1,204,544
27 December 2019	31 December 2023	$0.065	1,910,505
29 May 2020	31 December 2023	$0.065	1,084,182
14 July 2020	31 December 2023	$0.065	1,500,000
11 August 2020	25 August 2023	$0.055	1,560,000
04 September 2020	31 December 2023	$0.065	12,734,161
14 September 2020	31 December 2023	$0.065	750,000
17 September 2020	31 December 2023	$0.065	100,000
09 October 2020	31 December 2023	$0.065	1,000,000
14 October 2020	31 December 2023	$0.065	250,000
30 July 2021	30 November 2024	$0.035	51,805,530
			89,762,560

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 2021, 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;
- 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 report (audited) (continued)

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

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. In addition, the director's service agreements also has provisions to allow the Board, in its absolute discretion and as it considers appropriate, at any time during the Director's term in office, to grant or issue to the Director (or his nominee), options or shares:

a) with or without vesting conditions;

b) for such amount of cash consideration, which may be NIL cash consideration; and

c) otherwise on such terms and conditions (including, where appropriate, exercise and expiry date).

The grant of share based payments to Directors is always subject to the Company obtaining any applicable regulatory and/or shareholder approvals, as required under the ASX Listing Rules and/or the *Corporations Act 2001*.

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 philosophies 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, as well as options issued under the Employee Share Options Plan (ESOP).

Fixed Remuneration

Fixed remuneration, consisting of base salary, superannuation and non-monetary benefits, are reviewed annually by the CEO based on individual and business unit performance, the overall performance of the Group and comparable market remunerations.

Remuneration report (audited) (continued)

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

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.

The long-term incentives ('LTI') include long service leave and share-based payments. Options are awarded to executives over a period of two to three years based on long-term incentive measures. These include market capitalisation measures, share price measures over a specific period, and achievement of continuous employment hurdle period of service. The Board has reviewed the long-term equity-linked performance incentives specifically for executives during the year ended 31 December 2021.

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.

	2021	**2020**	**2019**	**2018**
	$	**$**	**$**	**$**
Revenue	**-**	-	306,921	398,500
Net Profit/(Loss)	**(3,646,443)**	(3,654,032)	(6,719,585)	(2,323,092)
Share Price at Year-end	**0.03**	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.

Remuneration report (audited) (continued)

Details of remuneration (continued)

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
Jason Conroy (Appointed 1 November 2021)	Acting Non-Executive Chairman
Luca Febbraio (Appointed 1 November 2021)	Non-Executive Director
Wayne Clay (Resigned 30 November 2021)	Non-Executive Chairman
Tim Ebbeck (Resigned 31 October 2021)	Non-Executive Director

Executive Directors	Position
Daniel O'Halloran	Chief Executive Officer and Managing Director
Jitze Jongsma (Resigned 31 December 2021)	Executive Director, Chief Financial Officer

Executives	Position
Dan Voyce (Appointed 28 June 2021)	Chief Technology Officer
Stephen Daniel Friel (Resigned 8 March 2021)	Chief Technology Officer

Key Management Personnel - Employment and Service Agreements

Employment and Service Agreements - Mr Daniel O'Halloran (CEO; Executive Director)

The Company entered into an Employment 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).

With effect from 1 April 2021, Mr O'Halloran's remuneration was increased to A$275,000 per year (inclusive of superannuation). In addition to his annual remuneration, Mr O'Halloran is also entitled to incentive options for NIL consideration, subject to the achievement of the following vesting conditions:

- 17,522,212 options will vest when the volume-weighted average price (VWAP) is greater than or equal to 5 cents for 30 trading days; and
- a further 17,522,212 options will vest when the VWAP greater than or equal to 10 cents for 30 trading days.

Mr O'Halloran's employment may be terminated by either party giving 6 calendar months’ notice in writing to the other party.

Director's Service Agreement - Mr Jason Conroy (Acting Non-Executive Chairman) - Appointed 1 November 2021

The Company entered into a Director's Service Agreement with Mr Jason Conroy on 1 November 2021 in relation to his appointment as Non-Executive Director of the Company. Pursuant to this agreement, Mr Conroy is entitled to directors’ fees of $75,000 per annum, inclusive of superannuation, in equal monthly installments, in cash.

Further, as Mr Conroy is chair of the Audit and Risk Committee, as well as the Nominations and Remuneration Committee, he is entitled to additional fees of $10,000 per annum per committee during his term of service in these respective roles.

Remuneration report (audited) (continued)

Details of remuneration (continued)

During the year, the Board has resolved to grant, subject to obtaining shareholders' approval at the 2021 AGM, 10,000,000 unlisted options for NIL consideration to Mr Conroy. These options are subject to the achievement of the following vesting conditions:

- 2,500,000 options will vest when the Company first achieves an average share price of at least $0.05 over any period of 30 days during the performance period of 48 months after the commencement date;
- a further 2,500,000 options will vest when the Company first achieves an average share price of at least $0.075 over any period of 30 days during the performance period of 48 months after the commencement date;
- another 2,500,000 options will vest when the Company first achieves an average share price of at least $0.10 over any period of 30 days during the performance period of 48 months after the commencement date; and
- the last 2,500,000 options will vest when the Company first achieves an average share price of at least $0.125 over any period of 30 days during the performance period of 48 months after the commencement date.

Director's Service Agreement - Mr Luca Febbraio (Non-Executive Director) - Appointed 1 November 2021

The Company entered into a Director's Service Agreement with Mr Luca Febbraio on 1 November 2021 in relation to his appointment as Non-Executive Director of the Company. Pursuant to this agreement, Mr Febbraio is entitled to directors' fees of $75,000 per annum. The fee for the first 12 months is accrued and paid, in arrears, at the end of each 6 month period, either in cash or shares. The conversion shares is subject to shareholders approval and will be calculated based on the accrued amount and the closing price of shares on Mr Febbraio's commencement date (that is, $0.017).

During the year, the Board has resolved to grant, subject to obtaining shareholders' approval at the 2021 AGM, 10,000,000 unlisted options for NIL consideration to Mr Febbraio. These options are subject to the achievement of the following vesting conditions:

- 2,500,000 options will vest when the Company first achieves an average share price of at least $0.05 over any period of 30 days during the performance period of 48 months after the commencement date;
- a further 2,500,000 options will vest when the Company first achieves an average share price of at least $0.075 over any period of 30 days during the performance period of 48 months after the commencement date;
- another 2,500,000 options will vest when the Company first achieves an average share price of at least $0.10 over any period of 30 days during the performance period of 48 months after the commencement date; and
- the last 2,500,000 options will vest when the Company first achieves an average share price of at least $0.125 over any period of 30 days during the performance period of 48 months after the commencement date.

Director's Management Services Agreement - Mr Jitze Jongsma (CFO; Former Executive Director) - Resigned 31 December 2021

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.

Remuneration report (audited) (continued)

Details of remuneration (continued)

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.

At the 2020 AGM held on 30 July 2021, the shareholders' approved the issue of 8,000,000 incentive options for NIL consideration to Mr Jongsma, subject to the achievement of the following vesting conditions:

- 4,000,000 options will vest when the volume-weighted average price (VWAP) is greater than or equal to 5 cents for 30 trading days; and
- a further 4,000,000 options will vest when the VWAP greater than or equal to 10 cents for 30 trading days.

Director's Service Agreement - Mr Wayne Clay (Former Non-Executive Chairman) - Resigned 30 November 2021

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.

The share-based fee compensation arrangements with Mr Wayne Clay, as outlined above, was cancelled with effect from 1 March 2021. Further, with effect from 1 March 2021, the Board resolved that the Chairman 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 was 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.

At the 2020 AGM held on 30 July 2021, the shareholders approved the issue of 4,380,553 incentive options for NIL consideration to Mr Clay. These options were not subject to any vesting conditions and were issued on 13 August 2021.

Director's Service Agreement - Mr Tim Ebbeck (Former Non-Executive Director) - Resigned 31 October 2021

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 installments and $10,000 in shares. The shares will be issued after a 6-month period at a price of 11 cents.

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.

At the 2020 AGM held on 30 July 2021, the shareholders approved the issue of 4,380,553 incentive options for NIL consideration to Mr Ebbeck. These options were not subject to any vesting conditions and were issued on 13 August 2021.

Remuneration report (audited) (continued)

Details of remuneration (continued)

Employment Agreement - Mr Dan Voyce (Chief Technology Officer) - Appointed 28 June 2021

Tymlez Pty Ltd has entered into an Employment Contract with Mr Dan Voyce on 28 June 2021 in relation to his appointment as Chief Technology Officer of the Group. Pursuant to such agreement, Mr Voyce shall be entitled to an annual remuneration of $280,000 (plus superannuation at the superannuation guarantee rate).

In addition to his annual remuneration, Mr Voyce is also entitled to incentive options for NIL consideration, subject to the achievement of the following vesting conditions:

- that number of incentive options equal to 50% of 1.6% of the post capital raise share capital will vest when the Company first achieves an average market capitalisation of at least A$70 million over any period of 30 days within 36 months from the commencement date;
- that number of incentive options equal to 10% of 1.6% of the post capital raise share capital will vest if Mr Voyce remains employed by Tymlez Pty Ltd for 12 months after the commencement date;
- that number of incentive options equal to 20% of 1.6% of the post capital raise share capital will vest if Mr Voyce remains employed by Tymlez Pty Ltd for 24 months after the commencement date; and
- that number of incentive options equal to 20% of 1.6% of the post capital raise share capital will vest if Mr Voyce remains employed by Tymlez Pty Ltd for 36 months after the commencement date.

Employment Agreement - Mr Stephen Daniel Friel (Former Chief Technology Officer) - Resigned 8 March 2021

Tymlez Pty Ltd has entered into a Service Agreement with Mr Stephen Friel on 29 October 2020 in relation to his appointment as Chief Technology Officer of the Group. Pursuant to such agreement, Mr Friel was entitled to an annual remuneration of $150,000 (plus superannuation at the superannuation guarantee rate). Mr Friel resigned as Chief Technology Officer on 8 March 2021.

During the year, 1,000,000 TYMO listed options were issued to Mr Friel following the achievement of the milestone as stipulated in his employment agreement. A further 250,000 TYMO listed options were issued to Mr Friel as settlement of outstanding consultancy fees due to him.

Directors' Report

For the Year Ended 31 December 2021

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
2021	**$**	**$**	**$**	**$**		**$**
Directors						
Executive Directors:						
Daniel O'Halloran	**236,930**	**13,980**	**-**	**23,248**	**57,285**	**331,443**
Jitze Jongsma	**236,183**	**-**	**-**	**-**	**11,000**	**247,183**
Non-Executive Directors:						
Jason Conroy *	**14,394**	**-**	**-**	**1,439**	**4,234**	**20,067**
Luca Febbraio *	**11,364**	**-**	**-**	**-**	**4,234**	**15,598**
Wayne Clay **	**69,228**	**-**	**-**	**-**	**48,186**	**117,414**
Tim Ebbeck	**62,372**	**-**	**-**	**-**	**48,186**	**110,558**
Other KMP						
Dan Voyce ***	**145,384**	**6,878**	**-**	**12,374**	**37,605**	**202,241**
Stephen Daniel Friel	**31,908**	**-**	**-**	**2,854**	**20,575**	**55,337**
Total	**807,763**	**20,858**	**-**	**39,915**	**231,305**	**1,099,841**
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

* As these share based payments are subject to shareholders' approval, no options have been issued by the Group to Jason Conroy or Luca Febbraio.

** Wayne Clay is the owner of Claytec Pty Ltd ("Claytec") which performed some consultancy work for the Group during the year. During the year (until his resignation as director of the Group on 30 November 2021), Claytec received a total of $37,823 in consultancy fees.The consultancy fees is not included in Wayne's cash salary and fees in the table.

*** As at 31 December 2021, no options have been issued by the Group to Dan Voyce. These amounts have been accrued as at the year end date.

**** 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.

Directors' Report

For the Year Ended 31 December 2021

Remuneration report (audited) (continued)

Remuneration details for the year (continued)

None of the remuneration paid to key management personnel for the year ended 31 December 2021 is related to the performance of the Group (31 December 2020: None).

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

	Grant details			For the financial year ended 31 December 2021			Overall		
			Value	Lapsed	Vested	Unvested	Vested	Unvested	Lapsed
		No.	$	No.	No.	No.	%	%	%
	Date								
Key Management Personnel									
Directors									
Executive Directors:									
Daniel O'Halloran	30 July 2021	35,044,424	48,186	-	-	35,044,424	-	100.00	-
Jitze Jongsma	30 July 2021	8,000,000	11,000	-	-	8,000,000	-	100.00	-
Non-Executive Directors:									
Jason Conroy *	08 December 2021	10,000,000	4,234	-	-	10,000,000	-	100.00	-
Luca Febbraio *	08 December 2021	10,000,000	4,234	-	-	10,000,000	-	100.00	-
Wayne Clay	30 July 2021	4,380,553	48,186	-	4,380,553	-	100.00	-	-
Tim Ebbeck	30 July 2021	4,380,553	48,186	-	4,380,553	-	100.00	-	-
Other KMP									
Dan Voyce **	02 July 2021	15,745,770	37,605	-	-	15,745,770	-	100.00	-
Stephen Daniel Friel	09 October 2020	1,000,000	102,900	-	1,000,000	-	100.00	-	-
Stephen Daniel Friel	14 October 2020	250,000	22,275	-	250,000	-	100.00	-	-
		88,801,300	326,806	-	10,011,106	78,790,194			

* As these share based payments are subject to shareholders' approval, no shares or options have been issued by the Group to Jason Conroy or Luca Febbraio.

** As at 31 December 2021, no options have been issued by the Group to Dan Voyce. These amounts have been accrued as at the year end date.

There were no options exercised during the year ended 31 December 2021 or 31 December 2020.

Directors' Report

For the Year Ended 31 December 2021

Remuneration report (audited) (continued)

Options and rights granted (continued)

Values of the options at grant date were determined using the Black-Scholes and Monte Carlo Simulation method. Refer to Note 20 of the financial statements for further information.

Options granted carry no dividend or voting rights.

All options/rights were issued by Tymlez Group Limited and entitle the holder to ordinary shares in Tymlez Group Limited for each option/right exercised.

There have not been any alterations to the terms or conditions of any share based payment arrangements since grant date.

Key management personnel options and rights holdings

The number of options in Tymlez Group Limited held by each Key Management Personnel and their related parties up to and including the financial year end is as follows:

31 December 2021	Balance at beginning of year No.	Granted as remuneration No.	Exercised No.	Lapsed 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	35,044,424	-	-	125,000	-	36,305,787	125,000	1,261,363
Jitze Jongsma	90,000	8,000,000	-	(90,000)	68,182	(8,068,182)	-	68,182	68,182
Non-Executive Directors:									
Jason Conroy **	-	10,000,000	-	-	-	-	10,000,000	-	-
Luca Febbraio **	-	10,000,000	-	-	-	-	10,000,000	-	-
Wayne Clay	-	4,380,553	-	-	-	(4,380,553)	-	4,380,553	4,380,553
Tim Ebbeck	-	4,380,553	-	-	-	(4,380,553)	-	4,380,553	4,380,553
Other KMP									
Dan Voyce ***	-	15,745,770	-	-	-	-	15,745,770	-	-
Stephen Daniel Friel	-	1,250,000	-	-	-	(1,250,000)	-	1,250,000	1,250,000
Total	1,226,363	88,801,300	-	(90,000)	193,182	(18,079,288)	72,051,557	10,204,288	11,340,651

* 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.

** As these share based payments are subject to shareholders' approval, no options have been issued by the Group to Jason Conroy or Luca Febbraio.

*** As at 31 December 2021, no options have been issued by the Group to Dan Voyce. These amounts have been accrued as at the year end date.

Directors' Report

For the Year Ended 31 December 2021

Remuneration report (audited) (continued)

Key management personnel shareholdings

The number of ordinary shares in Tymlez Group Limited held by each Key Management Personnel and their related parties up to and including the financial year end is as follows:

31 December 2021	Balance at start of year	Market acquisitions	Share based payment	Market disposals	Other changes during the year *	Balance at end of year
Directors						
Executive Directors:						
Daniel O'Halloran	11,300,321	22,850,642	2,000,000	-	-	36,150,963
Jitze Jongsma	5,456,250	2,635,664	-	-	(8,091,914)	-
Non-Executive Directors:						
Jason Conroy	-	-	-	-	-	-
Luca Febbraio	-	-	-	-	-	-
Wayne Clay	-	-	-	-	-	-
Tim Ebbeck	45,500	91,000	-	-	(136,500)	-
Other KMP						
Dan Voyce	-	-	-	-	-	-
Stephen Daniel Friel	-	-	-	-	-	-
Total	16,802,071	25,577,306	2,000,000	-	(8,228,414)	36,150,963

* 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 2021

Remuneration report (audited) (continued)

Transactions (excluding loans)

Transaction type	Terms and conditions*	Name of KMP	Amount $
Wayne Clay is the owner of Claytec Pty Ltd ("Claytec") which performed some consultancy work for the Group during the year until his resignation as director of the Group on 30 November 2021. Claytec received the following fees, both before and after Wayne's resignation as director:			
Consultancy fees	N/A	Wayne Clay	37,823

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

Income and expenses related to KMP transactions

Transaction type	Expense recognised $
Consultancy fees	**37,823**

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 2021 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.

Auditor

HLB Mann Judd continues in office in accordance with section 327 of the *Corporations Act 2001*.

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

Acting Non-Executive Chairman: ....

Jason Conroy

Dated this 31st day of March 2022

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 2021, 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 2022

hlb.com.au

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2021

	Note	2021 $	2020 $
Continuing Operations			
Other income	5	**373,779**	193,152
Employee benefits expense		**(2,010,059)**	(1,755,002)
Directors' fees and wages		**(841,942)**	(764,852)
Occupancy expenses		**(136,008)**	(82,446)
Office expenses		**(98,108)**	(96,507)
Professional fees		**(461,480)**	(626,273)
Selling and distribution expenses		**(97,126)**	(155,724)
Other expenses		**(349,560)**	(324,525)
Finance costs	6	**(26,161)**	(40,583)
Loss before income tax		**(3,646,665)**	(3,652,760)
Income tax (expense)/benefit	7	**222**	(1,272)
Loss for the year	18	**(3,646,443)**	(3,654,032)
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	17	**903**	(3,780)
Other comprehensive income/(loss) for the year, net of tax		**903**	(3,780)
Total comprehensive income/(loss) for the year		**(3,645,540)**	(3,657,812)
Profit/(loss) attributable to:			
Members of the parent entity		**(3,646,443)**	(3,654,032)
		(3,646,443)	(3,654,032)
Total comprehensive income attributable to:			
Members of the parent entity		**(3,645,540)**	(3,657,812)
		(3,645,540)	(3,657,812)
Earnings per share:			
Basic, loss for the year attributable to ordinary equity holders of the parent (cents)	8	**(0.56)**	(1.63)
Diluted, loss for the year attributable to ordinary equity holders of the parent (cents)	8	**(0.56)**	(1.63)
Earnings per share for continuing operations:			
Basic, loss from continuing operations attributable to ordinary equity holders of the parent (cents)	8	**(0.56)**	(1.63)
Diluted, loss from continuing operations attributable to ordinary equity holders of the parent (cents)	8	**(0.56)**	(1.63)

Tymlez Group Limited

ABN 37 622 817 421

Consolidated Statement of Financial Position

As At 31 December 2021

	Note	2021 $	2020 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	9	**4,960,227**	1,841,170
Trade and other receivables	10	**218,063**	96,470
Other assets	11	**219,281**	188,336
TOTAL CURRENT ASSETS		**5,397,571**	2,125,976
TOTAL ASSETS		**5,397,571**	2,125,976
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	12	**746,267**	685,508
Borrowings	13	**319,397**	422,154
Employee benefits	15	**52,473**	586
Contract liabilities	14	**138,411**	-
TOTAL CURRENT LIABILITIES		**1,256,548**	1,108,248
NON-CURRENT LIABILITIES			
Borrowings	13	**150,620**	458,280
TOTAL NON-CURRENT LIABILITIES		**150,620**	458,280
TOTAL LIABILITIES		**1,407,168**	1,566,528
NET ASSETS		**3,990,403**	559,448
EQUITY			
Issued capital	16	**23,218,766**	16,657,725
Reserves	17	**(3,677,178)**	(3,361,926)
Accumulated losses	18	**(15,551,185)**	(12,736,351)
TOTAL EQUITY		**3,990,403**	559,448

The accompanying notes form part of these financial statements.

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2021

	Note	Issued Capital $	Accumulated Losses $	Foreign Currency Translation Reserve $	Option Reserve $	Deferred Consideration Shares Reserve $	Common Control Reserve $	Total $
Balance at 1 January 2021		**16,657,725**	**(12,736,351)**	**148,919**	**2,819,160**	**602,019**	**(6,932,024)**	**559,448**
Net profit/(loss) for the year	18	**-**	**(3,646,443)**	**-**	**-**	**-**	**-**	**(3,646,443)**
Total other comprehensive income for the year	17	**-**	**-**	**903**	**-**	**-**	**-**	**903**
		-	**(3,646,443)**	**903**	**-**	**-**	**-**	**(3,645,540)**
Transactions with owners in their capacity as owners								
Contribution of equity, net of transaction costs	16	**6,561,041**	**-**	**-**	**-**	**-**	**-**	**6,561,041**
Issue of options	17	**-**	**-**	**-**	**515,454**	**-**	**-**	**515,454**
Lapsed/forfeited options	17	**-**	**229,590**	**-**	**(229,590)**	**-**	**-**	**-**
Write-off deferred consideration shares	17	**-**	**602,019**	**-**	**-**	**(602,019)**	**-**	**-**
Balance at 31 December 2021		**23,218,766**	**(15,551,185)**	**149,822**	**3,105,024**	**-**	**(6,932,024)**	**3,990,403**
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	18	-	(3,654,032)	-	-	-	-	(3,654,032)
Total other comprehensive income for the year	17	-	-	(3,780)	-	-	-	(3,780)
		-	(3,654,032)	(3,780)	-	-	-	(3,657,812)
Transactions with owners in their capacity as owners								
Contribution of equity, net of transaction costs	16	2,043,414	-	-	-	-	-	2,043,414
Issue of options	17	-	-	-	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

The accompanying notes form part of these financial statements.

Consolidated Statement of Cash Flows

For the Year Ended 31 December 2021

	Note	2021 $	2020 $
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers		**284,743**	221,951
Payments to suppliers and employees		**(3,394,776)**	(3,025,016)
Interest received		**349**	368
VAT and GST received/(paid)		**61,344**	61,420
Finance costs		**(2,665)**	(20,698)
Income taxes received/(paid)		**222**	(1,272)
Net cash provided by/(used in) operating activities	19	**(3,050,783)**	(2,763,247)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issue of shares		**6,920,738**	2,908,061
Proceeds from the issue of convertible notes		**-**	812,618
Net proceeds from/(repayment of) borrowings		**(294,920)**	453,123
Payment of lease liabilities		**(55,763)**	(70,905)
Payment of share issue costs		**(423,790)**	(195,942)
Net cash provided by/(used in) financing activities		**6,146,265**	3,906,955
Effects of exchange rate changes on cash and cash equivalents		**23,575**	(16,968)
Net increase/(decrease) in cash and cash equivalents held		**3,119,057**	1,126,740
Cash and cash equivalents at beginning of year		**1,841,170**	714,430
Cash and cash equivalents at end of financial year	9(a)	**4,960,227**	1,841,170

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 30 April 2022.

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 2021, the Group has a net asset position of $3,990,403 (2020: $559,448) and its current assets exceed its current liabilities by $4,141,023 (2020: $1,017,728). During the financial year, the Group had cash outflows from operating activities of $3,050,783 (2020: $2,763,247) and a net loss from operating activities of $3,646,443 (2020: $3,654,032).

The Group has prepared a cash flow forecast for the period ending 30 June 2023, 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 2021, 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;
- 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.

1 Basis of Preparation (continued)

Going concern (continued)

Based on past experience, 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 and implement the stated strategies, 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 Group 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 22 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.

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.

2 Summary of Significant Accounting Policies (continued)

(b) Business combinations (continued)

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.

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.

2 Summary of Significant Accounting Policies (continued)

(c) Income Tax (continued)

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.

Right-of-use asset

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.

Lease liability

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.

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.

2 Summary of Significant Accounting Policies (continued)

(d) Leases (continued)

Lease liability (continued)

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.

Adoption of short term leases or low value asset exception

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.

2 Summary of Significant Accounting Policies (continued)

(e) Revenue and other income (continued)

Specific revenue streams

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

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.

Grant revenue

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating. Grants relating to assets are credited to deferred income at fair value and are credited to income over the expected useful life of the asset on a straight-line basis.

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).

2 Summary of Significant Accounting Policies (continued)

(g) Goods and services tax (GST) (continued)

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.

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.

2 Summary of Significant Accounting Policies (continued)

(i) Financial instruments (continued)

Financial assets (continued)

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.

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 uncollectible then the gross carrying amount is written off against the associated allowance.

2 Summary of Significant Accounting Policies (continued)

(i) Financial instruments (continued)

Financial assets (continued)

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.

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

Employee options

Equity-settled compensation benefits are provided to employees via the Employee Share Option Plan. Information relating to this plan is set out in Note 20.

The fair value of the equity to which employees become entitled is measured at grant date and recognised as an expense over the vesting period, with a corresponding increase to an equity account. The fair value of shares is ascertained as the market bid price. The fair value of options is ascertained using the Black-Scholes pricing model which incorporates all market vesting conditions. The amount to be expensed is determined by reference to the fair value of the options or shares granted, this expense takes in account any market performance conditions and the impact of any non-vesting conditions but ignores the effect of any service and non-market performance vesting conditions.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

Non-market vesting conditions are taken into account when considering the number of options expected to vest. At the end of each reporting period, the Group revises its estimate of the number of options which are expected to vest based on the non-market vesting conditions. Revisions to the prior period estimate are recognised in profit or loss and equity.

Share-based payments to non-employees

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 consolidated statement of profit or loss and other comprehensive income respectively. The fair value of options is determined using the Black-Scholes 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.

2 Summary of Significant Accounting Policies (continued)

(n) Foreign currency transactions and balances (continued)

Transaction and balances (continued)

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.

(o) Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time at 1 January 2021, 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 Black-Scholes option pricing model and the Monte-Carlo Simulation, 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. Refer to Note 20 for further details.

4 Differences Between the Preliminary and Final Report

Subsequent to the announcement of its preliminary results on 28 February 2022, the Group made a material change in the results disclosed in the preliminary report and this annual report. A reversal of options to be issued, previously accrued in the 2020 financial year, was recognised in the consolidated statement of profit or loss and other comprehensive income in the preliminary report. It was determined that this should have been processed as an adjustment to reserves instead. This has been corrected in this annual report and the impact on net assets was NIL as the increase in the loss for the year of $118,934 was offset by the transfer for the same amount from the options reserve.

5 Other Income

	2021	2020
	$	$
- Income from government funding	**279,153**	192,784
- Net gain on early termination of lease	**86,877**	-
- Interest income	**349**	368
- Other income	**7,400**	-
Total other income	**373,779**	193,152

6 Result for the Year

The result for the year includes the following specific expenses:

	2021	2020
Finance costs:		
- Banks and other third parties	**25,243**	33,481
- Lease liability	**918**	7,102
Total finance costs	**26,161**	40,583

7 Income Tax Expense

	2021	2020
Reconciliation of income tax to accounting profit/(loss):		
Profit/(loss) before income tax	**(3,646,665)**	(3,652,760)
Tax at Australian tax rate of 30%	**(701,190)**	(404,012)
Tax at Overseas tax rates	**(195,537)**	(333,859)
	(896,727)	(737,871)
Add tax effect of:		
- other deductible items	**(136,506)**	(72,361)
- other non-deductible expenses	**145,228**	26,026
- tax losses not brought to account	**887,783**	785,478
Income tax expense/(benefit)	**(222)**	1,272

Refer to Note 21 for tax losses not recognised.

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2021

8 Earnings per Share

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

	2021 $	2020 $
Loss from continuing operations	**(3,646,443)**	(3,654,032)
Earnings used to calculate basic EPS from continuing operations	**(3,646,443)**	(3,654,032)
Earnings used in the calculation of dilutive EPS from continuing operations	**(3,646,443)**	(3,654,032)

(b) Earnings used to calculate overall earnings per share

Earnings used to calculate overall earnings per share	**(3,646,443)**	(3,654,032)

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

	2021 No.	2020 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	**653,058,418**	224,638,943
Weighted average number of dilutive options outstanding	**-**	-
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	**653,058,418**	224,638,943

(d) Earnings per share

	2021 Cents	2020 Cents
Earnings per share:		
Basic, loss for the year attributable to ordinary equity holders of the parent	**(0.56)**	(1.63)
Diluted, loss for the year attributable to ordinary equity holders of the parent	**(0.56)**	(1.63)
Earnings per share for continuing operations:		
Basic, loss from continuing operations attributable to ordinary equity holders of the parent	**(0.56)**	(1.63)
Diluted, loss from continuing operations attributable to ordinary equity holders of the parent	**(0.56)**	(1.63)

9 Cash and Cash Equivalents

	Note	2021 $	2020 $
Cash at bank		**4,960,227**	1,841,170
Total cash and cash equivalents	9(a)	**4,960,227**	1,841,170

(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	2021 $	2020 $
Cash and cash equivalents	9	**4,960,227**	1,841,170
Balance as per consolidated statement of cash flows		**4,960,227**	1,841,170

10 Trade and Other Receivables

	2021 $	2020 $
CURRENT		
Deposits	**25,750**	27,124
Taxes and social security	**36,323**	55,635
Grant receivable	**72,917**	-
Other receivables	**83,073**	13,711
Total current trade and other receivables	**218,063**	96,470

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 24 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.

11 Other Assets

	2021 $	2020 $
CURRENT		
Prepayments	**219,281**	188,336
Total current other assets	**219,281**	188,336

12 Trade and Other Payables

	2021 $	2020 $
CURRENT		
Unsecured liabilities:		
Trade payables	**261,612**	97,575
Taxes and social security	**7,404**	33,546
Sundry payables and accrued expenses	**271,007**	466,640
Share subscription account	**-**	59,500
Other payables	**206,244**	28,247
Total current trade and other payables	**746,267**	685,508

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.

13 Borrowings

	Note	2021 $	2020 $
CURRENT			
Unsecured liabilities:			
Loan from Netherlands government	13(a)	**301,241**	227,435
Insurance premium funding	13(b)	**18,156**	130,120
Lease liability		**-**	64,599
Total current borrowings		**319,397**	422,154
NON-CURRENT			
Unsecured liabilities:			
Loan from Netherlands government	13(a)	**150,620**	379,057
Lease liability		**-**	79,223
Total non-current borrowings		**150,620**	458,280

(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 installments.

(b) Insurance premium funding

Insurance premium funding has a fixed interest rate of 7.33% per annum (2020: 5.29% per annum).

14 Contract Liabilities

	2021	2020
CURRENT		
Contract liabilities - grant income	**138,411**	-
Total current contract liabilities	**138,411**	-

15 Employee Benefits

	2021 $	2020 $
CURRENT		
Annual leave	**52,473**	586
Total current employee benefits	**52,473**	586

16 Issued Capital

986,851,523 (2020: 292,036,871) fully paid ordinary shares	**26,037,049**	19,058,280
Share issue costs	**(2,818,283)**	(2,400,555)
Total issued capital	**23,218,766**	16,657,725

(a) Ordinary shares

	2021 No.	2020 No.
At the beginning of the reporting year	**292,036,871**	145,873,153
Shares issued during the year:		
- Shares issued on private placement	**108,540,910**	25,495,489
- Conversion of convertible note	**-**	102,125,126
- Shares issued to Lead Manager	**200,000**	7,220,098
- Shares issued on rights issue	**584,073,742**	1,910,505
- Shares issued to consultant	**-**	1,000,000
- Shares issued to directors in lieu of remuneration	**2,000,000**	8,412,500
At the end of the reporting period	**986,851,523**	292,036,871

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. During the financial years ended 31 December 2021 and 2020, there were no covenants attached to the Group's borrowings.

17 Reserves

	2021	2020
	$	$
Foreign currency translation reserve		
Opening balance	**148,919**	152,699
Exchange differences on translating foreign controlled entities	**903**	(3,780)
Closing balance	**149,822**	148,919
Option reserve		
Opening balance	**2,819,160**	885,644
Issue of options	**515,454**	1,933,516
Lapsed/forfeited options	**(229,590)**	-
Closing balance	**3,105,024**	2,819,160
Deferred consideration shares reserve		
Opening balance	**602,019**	602,019
Write-off deferred consideration shares	**(602,019)**	-
Closing balance	**-**	602,019
Common control reserve		
Opening balance	**(6,932,024)**	(6,932,024)
Closing balance	**(6,932,024)**	(6,932,024)
Total reserves	**(3,677,178)**	(3,361,926)

(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. During the year ended 31 December 2021, the deferred consideration shares reserve was transferred to accumulated losses as the period for the achievement of the respective milestones had expired and none of the performance milestones had been met to warrant the issue of the deferred consideration shares.

(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.

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2021

18 Accumulated Losses

	2021 $	2020 $
Accumulated losses at the beginning of the financial year	**(12,736,351)**	(9,082,319)
Net profit/(loss) for the year	**(3,646,443)**	(3,654,032)
Lapsed/forfeited options	**229,590**	-
Transfer from deferred consideration shares reserve	**602,019**	-
Accumulated losses at end of the financial year	**(15,551,185)**	(12,736,351)

19 Cash Flow Information

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

	2021 $	2020 $
Net profit/(loss) for the year	**(3,646,443)**	(3,654,032)
Non-cash flows in profit/(loss):		
- expenses paid via issue of shares/options	**44,175**	302,058
- share based payment to directors and employees	**440,444**	382,842
- interest expense included financing activities	**23,496**	15,502
- GST claim on capital raising costs	**27,962**	17,676
- insurance expense paid via insurance premium funding	**20,040**	161,162
- (gain)/loss on early termination of lease	**(86,193)**	-
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	**(121,593)**	19,147
- (increase)/decrease in other assets	**(30,945)**	40,761
- increase/(decrease) in other liabilities	**138,411**	-
- increase/(decrease) in trade and other payables	**87,976**	(48,949)
- increase/(decrease) in employee benefits	**51,887**	586
Net cash provided by/(used in) operating activities	**(3,050,783)**	(2,763,247)

(b) Non-cash financing and investing activities

	2021 $	2020 $
Payment of outstanding debts via the issue of shares	**14,500**	106,675
Payment of outstanding debts via the issue of TYMO options	**132,675**	213,262
Issue of options under employee share scheme	**132,000**	90,008
Insurance premium funding	**21,450**	169,561
Total non-cash financing and investing activities	**300,625**	579,506

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2021

19 Cash Flow Information (continued)

(c) Changes in liabilities arising from financing activities

			Non-cash changes		
	2020	**Cash flows**	**Foreign exchange movement**	**Other non-cash movement**	**2021**
	$	**$**	**$**	**$**	**$**
Insurance premium funding	**130,120**	**(137,849)**	**-**	**25,885**	**18,156**
Lease liabilities	**143,822**	**(55,763)**	**(174,936)**	**86,877**	**-**
Loan from Netherlands government	**606,492**	**(157,071)**	**(14,293)**	**16,733**	**451,861**
Total liabilities from financing activities	**880,434**	**(350,683)**	**(189,229)**	**129,495**	**470,017**

			Non-cash changes		
	2019	**Cash flows**	**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

20 Share-based Payments

During the year ended 31 December 2021, the Company granted options to its employees and key management personnel pursuant to its Employee Share Option Plan ("ESOP").

Employee Share Option Plan ("ESOP")

The ESOP has been established by the Group and approved by shareholders at a general meeting, whereby the Group may, at the discretion of the Board, grant options over ordinary shares in the Company to certain key management personnel of the Group. The options are issued for nil consideration and are granted in accordance with performance guidelines established by the Board.

Notes to the Consolidated Financial Statements

For the Year Ended 31 December 2021

20 Share-based Payments (continued)

Set out below are summaries of options granted under the plan:

	31 December 2021		31 December 2020	
	Weighted Average Exercise Price Per Share Option	Number of Options	Weighted Average Exercise Price Per Share Option	Number of Options
	$	No.	$	No.
As at 1 January	**0.166**	**9,206,000**	0.350	3,320,000
Granted during the year	**0.026**	**94,951,300**	0.062	5,886,000
Forfeited during the year	**0.055**	**(210,000)**	-	-
Expired during the period	**0.350**	**(1,320,000)**	-	-
As at 31 December	**0.034**	**102,627,300**	0.166	9,206,000
Vested and exercisable at 31 December	**0.085**	**15,087,106**	0.215	6,296,000

No options were exercised during the periods covered by the above table.

Share options outstanding at the end of the year have the following expiry dates and exercise prices:

2021		Exercise price	Share Options 31 December 2021 *	Share Options 31 December 2020
Grant Date	Expiry Date	$	No.	No.
13 December 2018	11 December 2022	0.350	**2,000,000**	2,000,000
16 January 2019	15 March 2021	0.350	**-**	930,000
14 May 2019	15 March 2021	0.350	**-**	300,000
30 July 2019	15 March 2021	0.350	**-**	90,000
29 May 2020	31 December 2023	0.065	**516,000**	516,000
14 July 2020	31 December 2023	0.065	**1,500,000**	1,500,000
11 August 2020	25 August 2023	0.055	**1,560,000**	1,770,000
14 September 2020	31 December 2023	0.065	**750,000**	750,000
17 September 2020	31 December 2023	0.065	**100,000**	100,000
09 October 2020	31 December 2023	0.065	**1,000,000**	1,000,000
14 October 2020	31 December 2023	0.065	**250,000**	250,000
17 June 2021	31 December 2023	0.015	**3,000,000**	-
02 July 2021	02 July 2025	0.015	**15,745,770**	-
30 July 2021	30 November 2024	0.035	**51,805,530**	-
08 December 2021	15 December 2025	0.016	**20,000,000**	-
08 December 2021	08 December 2026	0.016	**4,400,000**	**-**
			102,627,300	9,206,000

* The options granted in 2021, except for the 51,805,530 options granted on 30 July 2021, have not yet been issued as at 31 December 2021 as these options are either options granted to directors which are subject to shareholders' approval at the 2021 AGM, or employee share options and share-based payments to suppliers that are in the process of being issued, pending the finalisation of relevant information.

The weighted average remaining contractual life of options outstanding at year end was 3.18 years (2020: 2.30 years).

20 Share-based Payments (continued)

The weighted average fair value of the options granted during the year was $0.015 (2020: $0.084). These values were calculated by using a Black-Scholes and Monte-Carlo option pricing model applying the following inputs:

Grant date:	17 June 2021	02 July 2021	30 July 2021
Expiry date:	31 December 2023	02 July 2025	30 November 2024
Share price at grant date ($):	0.012	0.018	0.016
Exercise price ($):	0.015	0.015	0.035
Weighted average life of the option (years):	2.00	2.60	3.30
Expected share price volatility:	132.00 %	150.00 %	147.63 %
Dividend yield:	- %	- %	- %
Weighted average risk-free interest rate:	0.09 %	0.14 %	0.13 %
Weighted average fair value at grant date ($):	0.0073	0.0132	0.0110

Grant date:	08 December 2021	08 December 2021
Expiry date:	15 December 2025	08 December 2026
Share price at grant date ($):	0.033	0.033
Exercise price ($):	0.016	0.016
Weighted average life of the option (years):	3.90	1.79
Expected share price volatility:	150.00 %	150.00 %
Dividend yield:	- %	- %
Weighted average risk-free interest rate:	1.18 %	0.64 %
Weighted average fair value at grant date ($):	0.0258	0.0254

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 2021 was $0.033.

21 Tax assets and liabilities

Unrecognised deferred tax assets

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

	2021 $	2020 $
Australian tax losses not recognised:		
Unused tax losses for which no deferred tax asset has been recognised	**4,215,206**	1,906,977
Potential tax benefit at 30%	**1,264,562**	572,093

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.

22 Interests in Subsidiaries

Composition of the Group

	Principal place of business / Country of Incorporation	Percentage Owned (%)* 2021	Percentage Owned (%)* 2020
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**	100

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

23 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 two reportable segments, namely, Australia and Europe. 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. 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.

23 Operating Segments (continued)

(d) Segment performance

	Australia		Europe		Elimination		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	$	$	$	$	$	$	$	$
REVENUE								
Other segment income	**73,948**	-	**300,513**	192,784	**(1,031)**	-	**373,430**	192,784
Interest income	**162,797**	87,471	**-**	-	**(162,448)**	(87,103)	**349**	368
Total segment revenue	**236,745**	87,471	**300,513**	192,784	**(163,479)**	(87,103)	**373,779**	193,152
Interest expense	**5,845**	16,991	**182,764**	110,694	**(162,448)**	(87,103)	**26,161**	40,582
Other segment expenses	**2,568,200**	1,417,188	**1,510,292**	2,479,595	**(84,209)**	(91,453)	**3,994,283**	3,805,330
Income tax expense	**-**	-	**(222)**	1,272	**-**	-	**(222)**	1,272
Total segment expenses	**2,574,045**	1,434,179	**1,692,834**	2,591,561	**(246,657)**	(178,556)	**4,020,222**	3,847,184
Segment operating profit/(loss)	**(2,337,300)**	(1,346,708)	**(1,392,321)**	(2,398,777)	**83,178**	91,453	**(3,646,443)**	(3,654,032)

23 Operating Segments (continued)

(e) Segment assets

	Australia		Europe		Elimination		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
	$	$	$	$	$	$	$	$
Segment assets	**10,698,909**	4,588,071	**184,053**	198,891	**(5,485,391)**	(2,660,986)	**5,397,571**	2,125,976
Total segment assets	**10,698,909**	4,588,071	**184,053**	198,891	**(5,485,391)**	(2,660,986)	**5,397,571**	2,125,976

(f) Segment liabilities

	Australia 2021	Australia 2020	Europe 2021	Europe 2020	Elimination 2021	Elimination 2020	Total 2021	Total 2020
Segment liabilities	**2,192,172**	820,530	**4,700,283**	3,406,883	**(5,485,287)**	(2,660,885)	**1,407,168**	1,566,528
Total segment liabilities	**2,192,172**	820,530	**4,700,283**	3,406,883	**(5,485,287)**	(2,660,885)	**1,407,168**	1,566,528

24 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	2021 $	2020 $
Financial Assets			
Financial assets at amortised cost:			
Cash and cash equivalents	9	**4,960,227**	1,841,170
Loans and receivables	10	**181,740**	40,835
Total financial assets		**5,141,967**	1,882,005
Financial Liabilities			
Financial liabilities at amortised cost:			
- Trade and other payables	12	**738,863**	651,962
- Borrowings	13	**470,017**	880,434
Total financial liabilities		**1,208,880**	1,532,396

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. Management 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:

24 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.

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**	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
	$	**$**	**$**	**$**	**$**	**$**
Trade and other payables	**738,863**	651,962	**-**	-	**-**	-
Lease liability	**-**	5,487	**-**	59,112	**-**	67,827
Insurance premium funding	**1,910**	15,723	**16,246**	114,397	**-**	-
Loan from Netherlands government	**-**	-	**301,241**	227,435	**150,620**	303,246
Total	**740,773**	673,172	**317,487**	400,944	**150,620**	371,073

	2 to 5 years		**Later than 5 years**		**Total Contractual Cashflow/ Carrying Amount**	
	2021	**2020**	**2021**	**2020**	**2021**	**2020**
	$	**$**	**$**	**$**	**$**	**$**
Trade and other payables	**-**	-	**-**	-	**738,863**	651,962
Lease liability	**-**	11,396	**-**	-	**-**	143,822
Insurance premium funding	**-**	-	**-**	-	**18,156**	130,120
Loan from Netherlands government	**-**	75,811	**-**	-	**451,861**	606,492
Total	**-**	87,207	**-**	-	**1,208,880**	1,532,396

24 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 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 2021 and 31 December 2020, 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.

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 2021 and 31 December 2020, 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.

24 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 2021, the only borrowings the Group has relate to the insurance premium funding and the loan from the Netherlands government (refer to Note 13 for further details) (31 December 2020: insurance premium funding and the loan from the Netherlands government).

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.

	2021 $	2020 $
Floating rate instruments		
Cash at bank	**4,960,227**	1,841,170
Total floating rate instruments	**4,960,227**	1,841,170

(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 $
2021				
Nominal amounts				
Financial assets	**1,591**	**147,577**	**4,992,799**	**5,141,967**
Financial liabilities	**(103)**	**(576,032)**	**(632,745)**	**(1,208,880)**
Short-term exposure	**1,488**	**(428,455)**	**4,360,054**	**3,933,087**
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

24 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.

25 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 until 8 March 2021) and Mr Dan Voyce (Chief Technology Office from 28 June 2021), acted 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 2021.

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

	2021	2020
	$	$
Short-term employee benefits	**828,621**	579,402
Post-employment benefits	**39,915**	8,843
Share-based payments	**231,305**	345,165
Total key management personnel remuneration	**1,099,841**	933,410

26 Related Parties

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

Subsidiaries - refer to Note 22.

Key management personnel - refer to Note 25.

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.

26 Related Parties (continued)

(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.

The following transactions occurred with related parties:

			Balance outstanding	
	Expenses $	Revenue $	Owed to the Company $	Owed by the Company $
KMP related parties				
Peak Asset Management Pty Ltd *:				
- 2021	-	-	-	-
- 2020	262,920	-	-	22,000
Claytec Pty Ltd **:				
- 2021	37,823	-	-	-
- 2020	-	-	-	-
Subsidiaries				
Loan to Tymlez Holding B.V. ***:				
- 2021	-	162,448	3,876,666	-
- 2020	-	87,103	2,439,942	-
Loan to Tymlez Pty Ltd:				
- 2021	-	-	1,506,954	-
- 2020	-	-	220,944	-

* 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 2020. Niv was a non-executive director of the Group on 29 November 2019 and resigned on 14 September 2020. Accordingly, amounts disclosed here only relate to transactions occurring during the period that he was a key management personnel in the prior year. The amount relates to capital raising fees pursuant to a signed mandate with Peak. This expense was capitalised as capital raising fees in equity.

** Wayne Clay is the owner of Claytec Pty Ltd ("Claytec"). During the year ended 31 December 2021, Wayne provided consulting services to the Group, in addition to his role as non-executive director of the Group. Wayne was appointed as non-executive director of the Group on 14 September 2020 and resigned on 30 November 2021.

*** This loan is unsecured and interest is charged monthly in arrears on the outstanding portion of the loan account at 5% per annum. The outstanding loan balance is repayable in 5 years and the maximum outstanding balance in the loan is capped at EUR 6,000,000.

27 Auditors' Remuneration

	2021	2020
	$	$
Remuneration of the auditor HLB Mann Judd, for:		
- auditing or reviewing the financial statements of the Group	**35,600**	36,000
	35,600	36,000
Remuneration of other auditors (HLB Network Firms) of subsidiaries for:		
- auditing or reviewing the financial statements of subsidiaries	**32,278**	33,083
	32,278	33,083
Total auditors' remuneration	**67,878**	69,083

28 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2021 (31 December 2020: None).

29 Impact of COVID-19

The global coronavirus pandemic continues to have a significant impact on the global economy. In particular, the various restrictions and lockdowns aimed at preventing the spread of COVID-19 in New South Wales, Queensland and Victoria have had some impact on the Group's operations in Australia.

The ongoing measures have continued to create uncertainties in relation to the future financial performance of the Group. Despite the Group being primarily focused on the online, decentralised business concept, it is acknowledged that as a result of the current global situation, business has slowed down in a substantial way.

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 the measures implemented by the relevant Government, the Board has implemented, amongst others, the following:

- Limited international exposure and focusing on embarking on projects within Australia as a priority;
- Relocated the Group's head office to Queensland, Australia;
- Taking the online, decentralised business concept further where employees continue working in the respective states that they reside in (New South Wales, Queensland and Victoria);
- During the lockdown periods, employees worked from home and were able to still connect and perform their work online;
- A decision was made to move away from sectors that are suffering as a direct consequence of COVID-19 and are currently focusing on the sustainability sector; and
- Completed a successful fundraising campaign through rights issues and shortfall offers to raise a total of $6.921 million (before costs) in June/July 2021 to fund at least 2 years' worth of operating capital.

29 Impact of COVID-19 (continued)

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.

30 Events Occurring After the Reporting Date

The consolidated financial report was authorised for issue on 31 March 2022 by the board of directors.

The Company entered into a Director's Service Agreement with Mr Rhys Evans on 7 February 2022 in relation to his appointment as Non-Executive Director of the Company. Pursuant to this agreement, Mr Evans is entitled to directors’ fees of $75,000 per annum. The fee for the first 12 months is accrued and paid, in arrears, at the end of each 6 month period, either in cash or shares. The conversion shares is subject to shareholders approval and will be calculated based on the accrued amount and the closing price of shares on Mr Evans' commencement date (that is, $0.030).

On 22 March 2022, the Group announced a strategic partnership with the HBAR Foundation Sustainable Impact Fund, which funds projects focused on increasing transparency in environmental markets on the Hedera network. The Group will partner with HBAR Foundation to develop one of the world's most secure, trusted and scalable carbon reporting solutions for ESG compliance, Guarantee of Origin (GO), and Voluntary Carbon Market (VCM) ecosystems, leveraging the Group's ability to ingest encrypted and verified data directly from IoT devices. As part of the partnership, the Group has been awarded a US$1m (approximately A$1.4m) grant by the HBAR Foundation, a fund dedicated to growing the Hedera ecosystem, and will receive US$100,000 (approximately A$140,000) as an upfront payment. The grant will be progressively drawn down by the Group on the achievement of development milestones over the term of the grant (4 years). The Group does not expect to incur any material expenses associated with claiming down on the grant. Either party is eligible to terminate the grant for non-performance.

The COVID-19 pandemic continues to create 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. Refer to Note 29 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.

31 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.

31 Parent entity (continued)

	2021	2020
	$	$
Statement of Financial Position		
Assets		
Current assets	**10,484,999**	4,446,981
Non-current assets	**101,771**	126,329
Total Assets	**10,586,770**	4,573,310
Liabilities		
Current liabilities	**408,266**	554,949
Total Liabilities	**408,266**	554,949
Equity		
Issued capital	**23,218,766**	16,657,725
Accumulated losses	**(16,145,286)**	(16,060,543)
Deferred consideration shares reserve	**-**	602,019
Options reserve	**3,105,024**	2,819,160
Total Equity	**10,178,504**	4,018,361
Statement of Profit or Loss and Other Comprehensive Income		
Total profit/(loss) for the year	**(916,353)**	(1,095,788)
Total Comprehensive Income	**(916,353)**	(1,095,788)

Guarantees

There were no financial guarantees held by the parent entity as at 31 December 2021 or or 31 December 2020.

Contingent liabilities

The parent entity did not have any contingent liabilities as at 31 December 2021 or 31 December 2020, other than those outlined in Note 28.

Contractual commitments

The parent entity did not have any commitments as at 31 December 2021 or 31 December 2020.

32 Statutory Information

The registered office of the Company is:
Tymlez Group Limited
c/o Moray & Agnew
Level 6, 505 Little Collins Street
Melbourne VIC 3000

The principal places of business is:
Tymlez Group Limited
16 Nexus Way
Southport QLD 4215

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

Tymlez Group Limited

ABN 37 622 817 421

Directors' Declaration

The directors of the Company declare that:

1. the consolidated financial statements and notes for the year ended 31 December 2021 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 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

Acting Non-Executive Chairman: ....

Jason Conroy

Dated this 31st day of March 2022

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 2021, consolidated the 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 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 2021 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 Company and 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 *Going Concern* in the financial report, which indicates that the Group incurred a net loss of $3,646,443 during the year ended 31 December 2021 and had operating cash outflow of $3,050,783. As stated in Note 1 *Going Concern*, 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.

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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 Uncertainty Regard 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 16 (Issued capital), 17 (Reserves) and 20 (Share-based payments).	
The Group pays its employees, directors and certain suppliers via the issue of ordinary shares and options over shares. During the year, there were several share-based payments made to employees, directors and suppliers. 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 and directors as well as the agreements with suppliers. • 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 consolidated 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 2021, 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 Company and 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 Company or 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 Company's or 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 Company or 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 8 to 19 of the directors' report for the year ended 31 December 2021.

In our opinion, the Remuneration Report of Tymlez Group Limited for the year ended 31 December 2021 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	**Jude Lau**
Chartered Accountants	**Partner**

Melbourne
31 March 2022

Additional Information for Listed Public Companies
For the Year Ended 31 December 2021

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 04 March 2021.

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

Shareholders	Number of Shares	% of issued shares
Gold Coast Tweed Pet Motels Pty Ltd <Tymlez 1 A/C> and Associates	132,276,564	15.43 %
10 Bolivianos Pty Ltd and Associates	105,814,889	10.72 %
Altor Capital Management Pty Ltd	50,873,681	5.17 %

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	26	4
1,001 - 5,000	39	24
5,001 - 10,000	55	19
10,001 - 100,000	656	106
100,001 and over	534	51
Total	**1,310**	**204**

Based on the price per security, there were 146 holders of less than a marketable parcel of ordinary shares. This equates to a total of 885,985 ordinary shares (0.089% of total issued capital).

Additional Information for Listed Public Companies

For the Year Ended 31 December 2021

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
Gold Coast Tweed Pet Motels Pty Ltd <Tymlez 1 A/c>	112,500,000	11.40 %
10 Bolivianos Pty Ltd	102,251,186	10.36 %
Altor Capital Management Pty Ltd <Altor Alpha Fund A/C>	49,066,592	4.97 %
Mr Daniel Joseph O'Halloran	33,900,963	3.44 %
Mr Gavin Jeremy Dunhill	33,000,000	3.34 %
Tooting Bec Pty Ltd <Bakerloo Superfund A/C>	28,000,000	2.84 %
Hamilton Hawkes Pty Ltd <Whitcombe Family A/c>	24,855,951	2.52 %
MGL Corp Pty Ltd	20,000,000	2.03 %
Narrawallee Capital Pty Ltd <The Narrawallee Unit A/C>	20,000,000	2.03 %
Mr Noel Russell Cameron & Dr Belinda Caroline Goad <Noel Cameron Super Fund A/c>	18,636,251	1.89 %
Mr Todd Joseph Bard	17,125,330	1.74 %
CS Fourth Nominees Pty Limited <HSBC Cust Nom AU Ltd 11 A/C>	15,607,124	1.58 %
Flourich Pty Ltd <GT & JH Super Fund A/c>	15,000,000	1.52 %
Whitcombe Super Investments Pty Ltd <Whitcombe Super Fund A/c>	13,878,400	1.41 %
Mr Duncan Gerard Gowans & Mrs Jodie Louise Gowans <Gowans Superfund A/C>	13,500,000	1.37 %
Granet Superannuation and Investment Services PL <Granet Super Fund A/c>	13,324,658	1.35 %
Buprestid Pty Ltd <Hanlon Family Super A/c>	11,175,108	1.13 %
Pyxis Holdings Pty Ltd <The Mapletree A/c>	10,000,000	1.01 %
Mr Steven Lyle Hadjifotis <Hudgies Family A/C>	10,000,000	1.01 %
BNP Paribas Nominees Pty Ltd ACF Clearstream	9,965,886	1.01 %
Mr Graham John Walker	9,053,862	0.92 %
Red and White Holdings Pty Ltd <Blood Super Fund A/C>	9,000,000	0.91 %
Total	**589,841,311**	**59.78 %**
Total issued capital	**986,851,523**	**100.00 %**

Additional Information for Listed Public Companies

For the Year Ended 31 December 2021

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
Tooting Bec Pty Ltd <Bakerloo Superfund A/C>	7,743,750	22.51 %
Flourich Pty Ltd <GT & JH Super Fund A/C>	2,117,769	6.16 %
Mr Eoin Patrick Flynn	1,603,334	4.66 %
Buprestid Pty Ltd <Hanlon Family Super A/c>	1,416,478	4.12 %
Mr Stephen Daniel Friel	1,250,000	3.63 %
Mr Daniel Joseph O'Halloran	1,136,363	3.30 %
Conteck Nederland BV	1,000,000	2.91 %
Altor Capital Management Pty Ltd <Altor Alpha Fund A/c>	909,091	2.64 %
Mr John Anthony Phelan & Mrs Brenda Margaret Phelan <Phelan Super Fund A/c>	894,546	2.60 %
Mr Noel Russell Cameron & Dr Belinda Caroline Goad <Noel Cameron Super Fund A/c>	727,273	2.11 %
BT portfolio Services Limited <Caergwrle Invest P/L A/c>	681,818	1.98 %
Klockmann Investments Pty Ltd <Klockmann Family Super A/c>	568,182	1.65 %
Vector Nominees Pty Limited <The Wright Family A/c>	568,182	1.65 %
Ms Eileen Lilian Collins & Mr Adam James Champion <The Eileen Collins Unit A/c>	553,897	1.61 %
Marrah Capital Investment Pty Ltd <Gardiner Brookes Super A/c>	500,000	1.45 %
Mr Graham John Walker	447,273	1.39 %
Allegro Capital Nominees Pty Ltd <Allegro Capital Account>	454,546	1.32 %
Ali Burn & Gery Sullivan <P J Roughan Family A/c>	454,545	1.32 %
Ausitano Holdings Pty Ltd	454,545	1.32 %
Mr Shane Gregory Ciurleo	400,000	1.16 %
Mr Martin John Gardiner	350,000	1.02 %
Mrs Michelle Annette Solty	350,000	1.02 %
Mr Roulan Gillion	345,455	1.00 %
Total	**24,927,047**	**72.53 %**
Total listed options	**34,397,030**	**100.00 %**

Unissued equity securities

Options issued:

- 2,000,000 unlisted options exercisable at $0.35 expiring 10 December 2022 (5 holders)
- 1,560,000 unlisted options exercisable at $0.055 expiring 25 August 2023 (9 holders)
- 51,805,530 unlisted options exercisable at $0.035 expiring 30 November 2024 (4 holders)

Securities exchange

The Company is listed on the Australian Securities Exchange.