

## COMPANY ANNOUNCEMENT FOURTH QUARTER ACTIVITIES & CASHFLOW REPORT

31 January 2023

**FOR THE PERIOD ENDED 31<sup>ST</sup> DECEMBER 2022**

ASX: TYM

### HIGHLIGHTS

- New Partnership – Aerospace Malaysia Innovation Centre
- New Partnership – Tolam Earth
- New Partnership – Natural Carbon
- New Partnership – XBourse
- Presentations at COP27
- Verra DMRV EOI
- Investor Presentation and Letter to Shareholders
- Successful completion of Equity Raise
- Technology Update
- Closing cash balance of A\$2.7M

TYMLEZ Group Limited (“TYMLEZ”), is pleased to release its operational update and Appendix 4C for the quarter ended 31 December 2022. This update highlights the achievements that TYMLEZ has made during the period including the announcements of multiple new partnerships across the globe and the successful completion of an Equity Raise which was supported by existing shareholders and the Company’s Board of Directors.

## NEW PARTNERSHIP – AEROSPACE MALAYSIA INNOVATION CENTRE

In November, TYMLEZ entered into a Memorandum of Understanding (MOU) with Aerospace Malaysia Innovation Centre (AMIC) to define a scope for the guarantee of origin for sustainable aviation fuel.

The goal of AMIC is to bring together the world's leading solutions providers to deliver new and innovative solutions to the aviation industry, notably through working with its lead partners Airbus, Rolls Royce, and Composite Technology Research Malaysia.

Sustainable aviation fuel, or SAF, is set to be the key driver in the decarbonisation of the aviation sector – by transforming sustainable feedstocks into fuel to power aircrafts across the globe. According to fuel producers, it could potentially reduce overall carbon emissions by 80% or more. The aviation industry currently contributes 1.9% of all global greenhouse emissions, a figure which is expected to increase as air travel continues to grow.

Dr. Liew Kan Ern, Chief Executive Officer of AMIC said, "AMIC is pioneering the way for the sustainable aviation movement in Malaysia and beyond, with our passion to drive industrial-led aerospace research and development in Malaysia. We are excited by the opportunity to work with TYMLEZ, an innovative company, with a unique solution leveraging on distributed ledger technology, to provide assurance and transparency in the source to production and distribution process of sustainable aviation fuels. This will help generate trust in the market by giving customers transparency on the carbon-reduction content of the fuel they are buying, reinforcing the contribution that AMIC is making into the SAF and corresponding industries".

TYMLEZ's Guarantee of Origin solution enables sustainable aviation fuel producers to accurately report on the carbon emissions of their products from across the full value chain by integrating directly with IoT devices and sensors from across plants and vehicles, which enables trust and helps eliminate the risk of greenwashing.

TYMLEZ is excited for its future with AMIC as it looks to a long and prosperous relationship.

The full announcement can be read here: <https://medium.com/tymlez/tymlez-and-amic-to-collaborate-on-sustainable-aviation-fuel-f5a0d4a057e2>

## NEW PARTNERSHIP – TOLAM EARTH

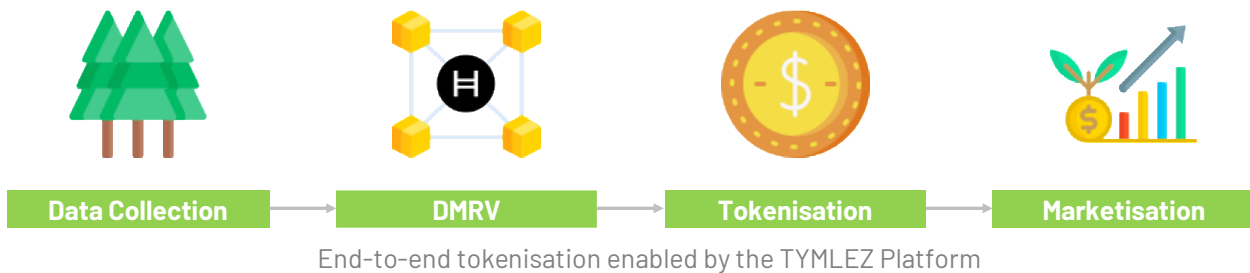
During the quarter, TYMLEZ and Tolam Earth announced plans to collaborate on a first-of-its-kind project that will provide end-to-end assurance over the creation of carbon credits for sale on a distributed ledger enabled marketplace.

Tolam Earth has developed a carbon marketplace to deliver transparent, digitally sourced and auditable carbon credits from around the world, all built on the same Hedera distributed ledger network which TYMLEZ uses for its solutions. Tolam Earth's marketplace combats many of the issues currently facing legacy marketplaces, primarily the lack of trust and

transparency in some trading systems. Tolam Earth is a subsidiary of Object Computing, a leader in technology consultancy and development.

Through its partnership with TYMLEZ, Tolam Earth is looking to create one of the world's most trusted carbon marketplaces by providing unrivalled trust through the sale of transparent and auditable carbon credits which will be generated by the TYMLEZ Digital Measure Reporting and Verification (dMRV) platform. With both TYMLEZ and Tolam Earth building upon the Hedera network, one of the world's most used enterprise-grade public distributed ledger networks, transaction costs will be minimal, allowing for investors of all sizes to purchase carbon credits from the marketplace.

Tolam Earth, CEO, Matthew Porter, said, "we are proud to partner with TYMLEZ. We will collectively take a monumental step to fully digitise the first carbon offset, from collection to creation to sale, radically improving how green projects are developed and funded."



TYMLEZ's partnership with Tolam Earth is a leap forward in carbon market transparency and trust. By providing only high-quality carbon credits generated by the TYMLEZ Platform, institutional investors can trust in the carbon credits which they are purchasing.

The full announcement can be read here: <https://medium.com/tymlez/tymlez-and-tolam-earth-partner-for-carbon-marketplace-trading-project-79dc183d97ba>

## NEW PARTNERSHIP – NATURAL CARBON

TYMLEZ is partnering with Natural Carbon and natural asset management platform Cecil on a project to create tokens backed by ACCUs generated by the 'Olkola Ajin – Olkola Fire Project' – a project managed by the Olkola Aboriginal Corporation. The goal of the project is to add an additional layer of trust to ACCUs through transparent tokenisation on the TYMLEZ Platform, increasing carbon market opportunities and innovation for these credits.

TYMLEZ has developed a world-leading offset tokenisation solution that will be used to generate tokens in accordance with the Clean Energy Regulator's carbon farming legislation. Operating on the Hedera network, the solution creates a token representing each ACCU, allowing them to be recorded on the distributed ledger in a secure and immutable fashion. This process increases the transparency of ACCUs, decreases market friction and reduces transaction costs. The project is set to showcase the value that can be unlocked through trusted tokenisation and will focus on the end-to-end lifecycle of a tokenised carbon credit from creation and sale to retirement.

"The carbon market is increasingly moving to distributed ledger platforms to increase integrity and traceability, and to scale global investment into nature-based solutions through frictionless and secure trade of carbon and other credits" said Natural Carbon's Chief Operating Officer, Christopher Wheatley.

The goal of Natural Carbon is to scale global investment into community-led nature-based solutions that remove carbon, increase natural capital, and improve local livelihoods in a fair way. Through its partnerships, Natural Carbon is bringing together leaders in sustainability focused solutions that will allow First Nations and local communities to maximise the value from their carbon assets through product innovation and opening new carbon markets.

The full announcement can be read here: <https://medium.com/tymlez/tymlez-partners-with-natural-carbon-to-tokenise-carbon-credits-d961ecb0f60>

## NEW PARTNERSHIP – XBOURSE

TYMLEZ is excited to announce that it has partnered with XB Market Ventures (XBourse) for the development of one of the world's first regulated carbon marketplaces.

XBourse founder and Chief Executive Officer, Tony Mackay said, "there is a massive opportunity in climate markets for innovative and credible trading instruments that materially help solve climate issues. XBourse and TYMLEZ believe the first and fundamental step is providing instruments and investment vehicles that can be traced, verified and accountable for carbon abatement."

Under the MOU, TYMLEZ will enable XBourse Marketplace participants to have pre-trade verification of the carbon credit provenance via the immutable digital record of the credit certification process and the examination of the underlying credit characteristics. This process is currently fragmented and essentially paper and legacy technology bound. Digitising the process will remove significant frictional barriers to adoption and increase transparency.

Using the TYMLEZ digital verification solution and the XBourse digital trading processes will accelerate investor participation in nascent nature-based solution marketplaces. Globally, business consultancy, McKinsey, estimates that over US\$100 trillion will need to be spent to achieve 2050 net zero. By comparison, the market capitalization of global markets that report to the World Federation of Exchanges is currently around US\$100 trillion. Therefore, the market opportunity for regulated, exchange-traded nature-based and decarbonization solutions is significant.

George Thomas, XBourse Bermuda COO said, "Bermuda's Government, private sector and regulator are committed to establishing Bermuda as a leader in the efficient and effective allocation of financial capital, mitigating climate risk, and continued innovation and solutions to address climate change. Over the past five decades, Bermuda has evolved into a globally recognized re-insurance centre, providing over 35% of the world's global property and

casualty reinsurance capacity. The Bermuda Monetary Authority (BMA) has introduced market-leading regulations for digital asset businesses, including a sandbox that XBourse intends to enter to fine-tune its products.”

XBourse intends to further enhance the Carbon Credit Marketplace by developing tokenised instruments (Nature Based Tokens) that will encourage direct investments in underlying nature-based carbon abatement projects. The marketplace could be expanded to include biodiversity rights, water rights, green hydrogen guarantees of origin and other credits derived from nature-based solutions.

The full announcement can be read here: <https://medium.com/tymlez/tymlez-partners-with-xbourse-for-a-new-climate-marketplace-53d53ef418bf>

## PRESENTATIONS AT COP27

TYMLEZ was honoured to present at the recent United Nations COP27 conference in Sharm El-Sheikh, Egypt. TYMLEZ featured at two key speaking events including one inside the UN Blue Zone.

The first event saw TYMLEZ Executive Chairman, Daniel O’Halloran, speak at the Hedera Regenerative Finance Forum on the role of technologies, such as the TYMLEZ Platform, in the global effort to decarbonise some of the most heavily polluting industries. The need for trust and transparency in global carbon markets was a major topic of conversation and is something which TYMLEZ is aiming to address through partnerships with offset producing projects and global carbon marketplaces, both regulated and voluntary.



Executive Chairman, Daniel O’Halloran, speaking at COP27

TYMLEZ was also invited to speak at the Digital Innovation Pavilion inside the Blue Zone at COP27. In a well-received presentation, Head of Research and Innovation, Dr. Mohsen

Khorasany, spoke about TYMLEZ's guarantee of origin solutions and how they can be applied to green fuels such as green hydrogen. TYMLEZ is working with a number of industry leaders such as Safetytech Accelerator, Lloyd's Register, and AMIC, on guarantee of origin for sustainable fuels, and through these projects has developed an industry leading solution for the creation of trusted guarantee of origin certificates, built upon the carbon neutral Hedera distributed ledger network.



Head of Research and Innovation, Dr. Mohsen Khorasany, speaking at COP27

## VERRA DMRV EOI

In late December, Verra, one of the world's largest voluntary carbon marketplaces, announced that it was accepting expressions of interest for its digital measurement, reporting, and verification (DMRV) pilot project that will develop and test the implementation of DMRV technology tools and platforms in their Verified Carbon Standard (VCS) Program.

TYMLEZ's DMRV solution provides end-to-end trust and transparency through the full token lifecycle from creation through to retirement. In collaboration with partners such as Tolam Earth, XBourse, and Natural Carbon, TYMLEZ has showcased its ability to create carbon offset tokens with unrivalled levels of transparency, supported by the TYMLEZ Trust Chain which details each step of the token lifecycle from project establishment to offset token creation.

## INVESTOR PRESENTATION AND LETTER TO SHAREHOLDERS

In December, TYMLEZ hosted an investor webinar during which the Company presented on its core solutions of Guarantee of Origin, Trusted Tokenisation, and Carbon Reporting. The



presentation, made by TYMLEZ Executive Chairman Daniel O'Halloran, featured Wes Geisenberger, Vice President, Sustainability and ESG at the HBAR Foundation who spoke about the incredible achievements of TYMLEZ since migrating to the Hedera network. The presentation also featured Matthew Porter, CEO of Tolam Earth, who spoke in detail on the partnership between TYMLEZ and Tolam Earth and its ability to bring trust and transparency to the global carbon marketplace ecosystem.

Following the presentation, TYMLEZ released a letter to shareholders which highlighted the achievements of the Company during 2022 and outlook for 2023. In the letter, Executive Chairman, Daniel O'Halloran, wrote about TYMLEZ's approach to market, focusing on the guarantee of origin and green resources, minerals, and fuels, as well as the role TYMLEZ has to play in the tokenisation of carbon credits through its digital measurement, recording, and verification offering.

The full letter is available to read here: <https://medium.com/tymlez/letter-to-tymlez-shareholders-dacf9abff028>

## SUCCESSFUL COMPLETION OF EQUITY RAISE

Supported by existing shareholders and the TYMLEZ Board of Directors, TYMLEZ successfully completed a A\$2m Equity Raise at an 11% premium to the closing price prior to the completion of the raise.

The Equity Raise will be used to pursue revenue-generating client contracts and continue the development of the Company's Trident Platform

Speaking on the successful Equity Raise, TYMLEZ Executive Chairman, Daniel O'Halloran commented, "the Equity Raise demonstrates the confidence that our shareholders and the Board have in our ability to deliver world-leading solutions to our clients. TYMLEZ has achieved a number of key milestones over the last 12 months including its first commercial contract in Australia, signing projects with industry leaders such as Safetytech Accelerator and Lloyds Register, and an expansion into the United States, one of the world's largest markets for sustainability focused technologies. TYMLEZ has a clear strategic focus and these funds will be used to execute upon that."

The equity raised was supported by TYMLEZ Board members, Jason Conroy and Eglantine Etienne who both purchased shares as part of the raise. Furthermore, Rhys Evans elected to take shares as remuneration and this was approved by shareholders at the EGM held in December 2022.

## TECHNOLOGY UPDATE

This Quarter, the technology focus was on internal product development. The TYMLEZ platform has now reached a stage of maturity. The platform has been named TRIDENT as it focuses on the 3 prongs that TYMLEZ has built its pillars upon:

1. Data Integration, Ingestion and Transformation
2. 3<sup>rd</sup> Party / Decentralised Assurance
3. Independently Verifiable Reports

As such the TRIDENT platform was developed to cover these with the following 3 service areas:

1. IoT & IIoT Enabled Data Ingestion Pipelines
2. Blockchain enabled policy workflow engine
3. Blockchain based audit level reporting

These services enable the dMRV, Trusted Tokenisation and reporting that form the core of the TYMLEZ offering.

Each service has been built on “Planet Scale” technologies on Google Cloud (PubSub, Cloud Run, GKE Autopilot) and is immediately scalable with no input from TYMLEZ needed, this is both cost effective and ensures that we can plug in to any level of data as required, additionally it abstracts away many of the security requirements that self-hosted services might require, simplifying our security and info-sec requirements.

Coupled with the high throughput of the Hedera network, we are well placed to handle any requirements that future clients might have.

Additionally, there has been a focus on building out our library of IoT and Service connectors, this encourages re-use of already developed components across multiple projects.

As of now our IoT library includes the 5 most used devices in Australia and generics such as PubSub, MQTT, FTP, HTTP, Several Databases and Several PLC's.

All of this enables us to deploy quickly and securely and to the scale necessary to deliver solutions for our customers.



## SUMMARY OF EXPENDITURE INCURRED ON BUSINESS ACTIVITIES

The operating expenditures of TYMLEZ for the December 2022 quarter can be summarised as follows (A\$'000):

Advertising and marketing costs	33
Leased assets	32
Staff costs	698
Administration and corporate costs	445
	-----
Total cash outflow	1,208

## ADDITIONAL INFORMATION

Payments to related parties and their associates included in operating activities during the quarter was A\$107,000, which relates to the remuneration of executive and non-executive directors.

Authorised by the TYMLEZ Board of Directors.

//End

For any queries relating to this announcement, please contact:

**Corporate**

Matthew Park  
SVP Corporate & External Affairs  
[Matthew.park@tymlez.com](mailto:Matthew.park@tymlez.com)

**Media**

Janine MacDonald  
Senior Advisor  
[Janine.macdonald@plcorporate.com.au](mailto:Janine.macdonald@plcorporate.com.au)

**ABOUT TYMLEZ**

TYMLEZ (ASX: TYM) is a pioneer in the development and delivery of carbon reporting and guarantee of origin solutions. TYMLEZ provides companies across the globe with world-class solutions designed to empower them in their decarbonisation journeys.

Visit [tymlez.com](https://tymlez.com) for more information

## Appendix 4C

### Quarterly cash flow report for entities subject to Listing Rule 4.7B

**Name of entity**

Tymlez Group Limited

**ABN**

37 622 817 421

**Quarter ended ("current quarter")**

31 December 2022

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	47	78
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(33)	(67)
(d) leased assets	(32)	(122)
(e) staff costs	(698)	(3,142)
(f) administration and corporate costs	(445)	(1,022)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	6
1.5 Interest and other costs of finance paid		-
1.6 Income taxes/GST received/(paid)	9	33
1.7 Government grants and tax incentives	83	460
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,066)</b>	<b>(3,776)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	2,023	2,023
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	1
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(14)	(14)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(34)	(475)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,975</b>	<b>1,535</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,802	4,960
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,066)	(3,776)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,975	1,535
4.5	Effect of movement in exchange rates on cash held	(8)	(16)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>2,703</b>	<b>2,703</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,703	1,802
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,703</b>	<b>1,802</b>

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1 *	107
6.2	Aggregate amount of payments to related parties and their associates included in item 2	NIL
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

\*Amount included in 6.1 above relates to remuneration (inclusive of share-based payments) paid to directors

<b>7.</b>	<b>Financing facilities</b> <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	NIL	NIL
7.2	Credit standby arrangements	NIL	NIL
7.3	Other (please specify)	230	230
7.4	<b>Total financing facilities</b>	<b>230</b>	<b>230</b>
7.5	<b>Unused financing facilities available at quarter end</b>		NIL
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>In July 2020, the Group was granted a €375K COVID-19 loan from the Dutch government which is unsecured and interest payable at 3% per annum.</p>		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,066)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,703
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	2,703
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	2.54
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	



## Compliance statement

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

Authorised by the Board of Directors on 31 January 2023

On behalf of the Board,

**Jonathan Hart**

Company Secretary

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.