

## COMPANY ANNOUNCEMENT SECOND QUARTER ACTIVITIES & CASHFLOW REPORT

31/07/2023

**FOR THE PERIOD ENDED 30 JUNE 2023**

ASX: TYM

### HIGHLIGHTS

- Operating Cost Reductions
- Integration of artificial intelligence (AI) for onboarding clients and operational efficiencies within the TYMLEZ Platform
- Forming an execution strategy in relation to the TROEF Project
- Ongoing Business Development
- Closing cash balance \$468,000 (firm commitments to raise approximately \$850,000 before costs post 30 June 2023)

TYMLEZ Group Limited ("TYMLEZ" or "Company") announces its operational update and Appendix 4C for the quarter ended 30 June 2023.

## OPERATING COST REDUCTIONS

During the second quarter of 2023, the team implemented a variety of effective cost-saving measures, including a reduction in Director fees, contractors, and excess headcount. The savings realised through these efforts will be wisely reinvested in key areas, expediting the company's deployment of solutions and development of new features.

## TYMLEZ PLATFORM

The Company's focus has been to identify any areas that require enhancement and assess the platform's readiness for the market.

The ongoing review of the TYMLEZ Platform has identified several potential enhancements which are expected to drive more demand for the product in the market, including the integration of artificial intelligence (AI) for onboarding clients and operational efficiencies.

## TROEF PROJECT

The Board and management team sees a huge opportunity in the TROEF project as the main gateway to Europe. As part of the TROEF Project steering committee, TYMLEZ has undertaken a technical evaluation and is forming an execution strategy. TYMLEZ is a key member of the consortium and is currently working with industry from across the Netherlands in the commercialisation of the TROEF project.

## BUSINESS DEVELOPMENT

The management have been crafting a comprehensive sales and marketing plan to effectively promote TYMLEZ's offerings, attract potential customers, and drive long-term success. The new strategy will be focused on profitability and growth and supported by market research and industry feedback from existing and potential customers.

TYMLEZ's Board has developed and implemented technology solutions for major companies in a variety of industries and geographies and has in that time developed connections with senior decision makers within TYMLEZ target customers. The new TYMLEZ leadership will look to leverage their industry experience and extensive global network to create new partnership opportunities for TYMLEZ.

## BRAND ENHANCEMENT

The Company has worked on the revitalisation of its branding to reflect its next chapter and highlight the capabilities and advantages of TYMLEZ technology. This will include a refresh of the Company's website, greater engagement through social media channels (LinkedIn, Medium, and Twitter).

## SUMMARY OF EXPENDITURE INCURRED ON BUSINESS ACTIVITIES

The operating expenditures of TYMLEZ for the June 2023 quarter can be summarised as follows (A\$'000):

Item	Value (A\$'000)
Advertising and marketing costs	3
Leased assets	17
Staff costs	528
Administration and corporate costs	585
<b>Total cash outflow</b>	<b>1,133</b>

### Additional Information

Payments to related parties and their associates included in operating activities during the quarter was A\$191,000, which relates to the remuneration of directors and key management personnel.

Authorised by the TYMLEZ Board of Directors.

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For any queries relating to this announcement, please contact:

[investors@tymlez.com](mailto:investors@tymlez.com)

## **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")**

30 June 2023

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (6 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	13
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(3)	(14)
(d) leased assets	(17)	(41)
(e) staff costs	(528)	(1,304)
(f) administration and corporate costs	(585)	(894)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	9
1.5 Interest and other costs of finance paid		-
1.6 Income taxes/GST received/(paid)	17	20
1.7 Government grants and tax incentives	158	245
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(955)</b>	<b>(1,966)</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 \$A'000	Year to date (6 months) \$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)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(1)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(51)	(260)
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>(51)</b>	<b>(261)</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	1,474	2,703
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(955)	(1,966)
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 (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(51)	(261)
4.5	Effect of movement in exchange rates on cash held	-	(8)
4.6	<b>Cash and cash equivalents at end of period</b>	<b>468</b>	<b>468</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	468	1,474
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>468</b>	<b>1,474</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 *	191
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 and key management personnel.

<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)	80	80
7.4	<b>Total financing facilities</b>	<b>80</b>	<b>80</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)	(955)
8.2	Cash and cash equivalents at quarter end (item 4.6)	468
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	468
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	0.49
	<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: No. Cost cutting measures have been put in place. In particular, operating costs from consultants, contractors and staff costs are expected to decrease substantially.	
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: Yes, the Group has received firm commitments to raise approximately \$850,000 before costs to professional and sophisticated investors on 21 July 2023.	
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: Yes, the Group has just successfully completed a private placement of \$850,000 before costs to professional and sophisticated investors on 21 July 2023. The proceeds of the placement will be used to drive platform integration using AI for supply chain traceability and working capital purposes.	
	<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 July 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.