



## **Bluechiip Limited**

ABN 79 104 795 922

### **Appendix 4E**

*(ASX Listing Rule 4.3A)*

## **Preliminary Final Report For the financial year ended 30 June 2023**

**Reporting period - 1 July 2022 to 30 June 2023  
(Previous corresponding period - 1 July 2021 to 30 June 2022)**

**Name of entity**

<b>BLUECHIIP LIMITED</b>
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**ABN**

<b>79 104 795 922</b>
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**FINANCIAL YEAR ENDED (“CURRENT PERIOD”)**

<b>30 JUNE 2023</b>
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**RESULTS FOR ANNOUNCEMENT TO THE MARKET**

	Change	Change in Value \$	%	To
Net revenue from ordinary activities	Down	12,209	1.3%	\$915,036
Other income – interest income and R&D tax incentive	Up	\$137,107	16.6%	\$960,597
Operating expenses	Up	\$1,983,446	42.6%	\$6,636,053
Operating EBITDA	Down	(\$1,915,985)	62.8%	(\$4,966,600)
Loss from ordinary activities after tax attributable to members	Down	\$1,981,854	64.8%	\$5,041,025

**Dividends**

It is not proposed to pay a dividend (2022: No dividend proposed).

There are no franked dividend or distribution reinvestment plans in operation and there have been no dividend or distribution payments during the financial year ended 30 June 2023 (2022: Nil).

**Net Tangible Assets per security**

As at 30 June 2023: 0.33 cents

As at 30 June 2022: 0.73 cents

**COMMENTARY ON THE RESULTS FOR THE YEAR AND SIGNIFICANT INFORMATION**

**Results of operations**

**Operating Results**

The Group reported a consolidated loss after income tax for the financial year ended 30 June 2023 of \$5,041,025 (2022: \$3,059,171 loss).

The Company recognised net revenue totalling \$915,036 (2022: \$927,245) during the financial year from the sale of products, licence fee and consulting income.

Other income showed an increase from \$823,490 to \$960,597 during the financial year. This was mainly attributable to the R&D Tax Incentive receivable which the Company expects to receive a total of \$910,000 for the financial year ended 30 June 2023. Also included in the Other Income is the AusIndustry's Supply Chain Resilience Initiative (SCRI) grant of \$19,000. The amount was part of the total cash received of \$472,686 by the Company. As at 30 June 2023, there is \$453,686 not recognised as income and subject to the Company's matched spending.

There was a strategically planned increase of 43% in operating expenses during the financial year with \$6,636,053 (2022: \$4,652,607) incurred to arrive at operating EBITDA of \$4,966,600 (2022: \$3,050,615). The overall strategic increase in operating expenses are attributable to amongst others, the following:

- significant increase in expenditure on research and development (R&D) - \$650,777 (2022: \$268,675), mainly utilised for the development of software for Bluechiip enabled devices;
- increased employee benefits expense of \$3,566,648 (2022: \$2,449,657) mainly attributable to the recruitment of additional employees in Australia and expansion of sales and marketing office in the US; and
- increase in business development and marketing expenses of \$595,607 (2022: \$339,939), resulted from the ongoing marketing and travelling activities particularly in US and Europe regions during the financial year.

### **Acquisition and Divestment**

There have been no entities over which control has been gained or lost during the financial year ended 30 June 2023.

### **Capital Structure**

During the financial year, the Company successfully completed a capital raise through:

- Placement to institutional, sophisticated and professional investors for 88.0m new ordinary fully paid shares at an issue price of \$0.025 per ordinary share in Bluechiip, that raised \$2.2m. With the exception of Chairman, Iain Kirkwood's subscription of \$100k worth of shares (subject to shareholders approval at the Company's next general meeting), \$2.1m was fully received; and
- Share Purchase Plan to all its existing shareholders that resulted in 29.1m new ordinary fully paid shares subscribed at an issue price of \$0.025 and raised \$727,500.

Further, in June 2023, there was a conversion of 2,006,667 performance rights into shares by the CEO and certain employees of the Group.

Apart from these, there has not been any material movement in the Company's share capital. As at the date of this report, the Company has 713,670,463 fully paid ordinary shares on issue.

### **Events after Balance Date**

The Directors are not aware of any matter or circumstance that has arisen since the end of the financial year that, in their opinion, has significantly affected or could significantly affect the operations of the Group, the results of these operations or the state of affairs of the Group in future financial years.

### **Audit**

This preliminary final report is based on the attached consolidated financial statements for the year ended 30 June 2023 which have been audited by the Company's auditors, PKF Melbourne.

### **Other disclosure requirements**

Additional ASX Appendix 4E (Listing Rule 4.3A) disclosures can be found in the 2023 Annual Report attached to this document. This document should be read in conjunction with the 2023 Annual Report.



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**Mr Andrew McLellan**  
Managing Director and CEO  
31 August 2023