

NoviqTech Limited
Appendix 4D
Half-Year Report

1. Company details

Name of entity: NoviqTech Limited
ABN: 37 622 817 421
Reporting period: For the half-year ended 30 June 2024
Previous period: For the half-year ended 30 June 2023

2. Results for announcement to the market

				A\$
Revenue from ordinary activities	up	100 %	to	-
Loss from ordinary activities after tax attributable to the owners of NoviqTech Limited	down	(38.35) %	to	(1,291,328)
Loss for the year attributable to the owners of NoviqTech Limited	down	(38.35) %	to	(1,291,328)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

An explanation of the above figures is contained in the review of operations included within the attached Directors' Report.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(0.40)	(0.09)

4. Control gained over entities

Not applicable

5. Loss of control over entities

Not applicable

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Current period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable

8. Details of associates and joint venture entities

Not applicable

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

This report is based on accounts which have been subject to review in accordance with ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*. A copy of the review report is attached.

11. Attachments

Details of attachments (if any):

The Half-Year Report of NoviqTech Limited for the half-year ended 30 June 2024 is attached.

12. Signed



Freddy El Turk
Executive Director & CEO
On behalf of the Board of Directors
NoviqTech Limited
30 August 2024

NoviqTech Limited

ABN 37 622 817 421

Consolidated Interim Financial Statements

For the Half Year Ended 30 June 2024

NoviqTech Limited

ABN 37 622 817 421

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For the Half Year Ended 30 June 2024

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Directors' Report

For the Half Year Ended 30 June 2024

The directors submit the consolidated interim financial report of the the Group, being NoviqTech Limited ("the Company") and its controlled entities, for the half year ended 30 June 2024.

Information on directors

The names of each person who has been a director during the half year and to the date of this report are:

Fady El Turk

Raffaele Marcellino

Darren Scott

Principal activities and significant changes in nature of activities

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

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

Review of operations

The consolidated loss of the Group after providing for income tax amounted to \$1,291,328 (30 June 2023: \$2,094,781).

During the half-year period ended 30 June 2024, the Group achieved a number of operating highlights, including:

Key Events and Achievements

- **January 2024 NVQ Achieves Google Cloud Ready – Sustainability:** Noviqtech was recognised as Google Cloud Ready for Sustainability, enhancing its credibility and capabilities in delivering sustainable solutions through cloud technology. This achievement signifies the Group's commitment to leveraging advanced technologies to address environmental challenges.
- **March 2024 Placement - Develop AI Capabilities for Carbon Central:** In March, Noviqtech announced a strategic placement aimed at enhancing its artificial intelligence capabilities specifically for the Carbon Central platform. This initiative is expected to improve the platform's functionality and effectiveness in carbon management.
- **March 2024 Power Synch Utilises Carbon Central—Green Hydrogen Tracking:** The Group reported a collaboration with Power Synch to utilise the Carbon Central platform for tracking green hydrogen initiatives. This partnership aims to promote sustainable energy solutions and enhance green hydrogen production and usage transparency.
- **June 2024 TROEF Project Update:** In June, Noviqtech provided an update on the TROEF project, detailing progress and developments. This project is integral to the Group's sustainability initiatives, focusing on reducing carbon emissions and enhancing environmental stewardship.
- **June 2024 NVQ Integrates Google Gemini AI Function in Carbon Central:** The integration of Google Gemini AI functionality into the Carbon Central platform was announced in June. This enhancement is expected to boost the platform's analytical capabilities significantly, enabling better data insights and decision-making for users focused on sustainability.

Directors' Report

For the Half Year Ended 30 June 2024

Review of operations (continued)

Summary of Financial and Operational Performance

- **Continued Growth in Sustainability Initiatives:** In the first half of 2024, Noviqtech maintained its trajectory in sustainability, with strategic partnerships and technological advancements reinforcing its market position.
- **Investment in Technology:** Noviqtech's focus on AI and cloud solutions reflects its commitment to innovation, positioning it as a leader in the sustainability sector.
- **Operational Efficiency:** Following a successful reduction in spending in the previous year, Noviqtech continues prioritising operational efficiency, ensuring resources are allocated effectively towards growth initiatives.
- **Funding Support:** During the half year, the Group entered into a formal loan drawdown facility with Copeak Pty Ltd (PEAK) for an amount of up to \$1.4m. The availability of this facility allows the Group to continue working towards its corporate objectives.

Significant changes in state of affairs

The following significant changes in the state of affairs of the Company occurred during the financial half year:

- i. Issue of 175,000,000 (pre-consolidation) fully paid ordinary shares at \$0.004 each with one free attaching unlisted option for every one ordinary share with an exercise price of \$0.08 expiring on 24 June 2026 (NVQOPT17) under private placement; The free attaching unlisted options were issued on 24 June 2024 post the 10:1 share consolidation. Therefore, 17,500,000 (post-consolidation) free attaching unlisted options were issued;
- ii. Issue of 2,862,000 (pre-consolidation) fully paid ordinary shares at \$0.004 each to the lead manager in lieu of capital raising fees;
- iii. On 11 June 2024, the Company completed a 10:1 share consolidation;
- iv. Issue of 2,000,000 (post consolidation) unlisted options with an exercise price of \$0.08 expiring on 24 June 2026 (NVQOPT17) to the lead manager in lieu of capital raising fees;
- v. Issue of 813,682 (post-consolidation) fully paid ordinary shares at \$0.03 each in lieu of directors fees; and
- vi. Issue of 1,000,000 (post-consolidation) fully paid ordinary shares at \$0.05 each to a consultant in lieu of fees for recruitment services.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the half year ended 30 June 2024 has been received and can be found on page 4 of the consolidated interim financial report.

Directors' Report
For the Half Year Ended 30 June 2024

This report is signed in accordance with a resolution of the Board of Directors, pursuant to section 306(3)(a) of the *Corporations Act 2001*.



Executive Director & CEO:
Fady El Turk



Non-Executive Chairman:
Raffaele Marcellino

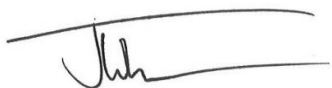
Dated this 30th day of August 2024

DECLARATION OF INDEPENDENCE BY JACKSON WHEELER TO THE DIRECTORS OF NOVIQTECH LIMITED

As lead auditor for the review of NoviqTech Limited for the half-year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of NoviqTech Limited and the entities it controlled during the period.



Jackson Wheeler

Director

BDO Audit Pty Ltd

Perth

30 August 2024

Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 30 June 2024

	30 June 2024 \$	30 June 2023 \$
Revenue	-	13,124
Other income	127,757	219,826
Employee benefits expense	(437,462)	(1,091,001)
Impairment of digital assets	-	(22,571)
Directors' fees and wages	(281,929)	(411,087)
Insurance expense	(89,386)	(86,631)
Occupancy expenses	(32,954)	(34,947)
Office expenses	(5,084)	(5,737)
Professional fees	(135,509)	(449,479)
Selling and distribution expenses	(5,053)	(14,112)
Subcontracting costs	(291,607)	(29,064)
Subscriptions	(49,413)	(112,354)
Other expenses	(79,414)	(65,322)
Finance costs	(11,274)	(5,426)
Loss before income tax	(1,291,328)	(2,094,781)
Income tax expense	-	-
Loss for the half year	(1,291,328)	(2,094,781)
Other comprehensive income, net of income tax		
Items that will be reclassified to profit or loss when specific conditions are met		
Exchange differences on translating foreign controlled entities	(1,490)	(13,453)
Other comprehensive income for the half year, net of tax	(1,490)	(13,453)
Total comprehensive loss for the half year	(1,292,818)	(2,108,234)
Profit/(loss) attributable to:		
Members of the parent entity	(1,291,328)	(2,094,781)
	(1,291,328)	(2,094,781)
Total comprehensive income attributable to:		
Members of the parent entity	(1,292,818)	(2,108,234)
	(1,292,818)	(2,108,234)
Earnings per share:		
Basic, loss for the half year attributable to ordinary equity holders of the parent (cents) *	(0.91)	(1.92)
Diluted, loss for the half year attributable to ordinary equity holders of the parent (cents) *	(0.91)	(1.92)

* Earnings per share for the half year ended 30 June 2023 has been adjusted as a result of 10:1 share consolidation during the 2024 financial period.

Consolidated Interim Statement of Financial Position

As At 30 June 2024

		30 June 2024	31 December 2023
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		144,601	395,544
Trade and other receivables		15,578	28,274
Other assets		74,159	181,301
TOTAL CURRENT ASSETS		234,338	605,119
NON-CURRENT ASSETS			
Intangible assets	5	49,346	47,788
TOTAL NON-CURRENT ASSETS		49,346	47,788
TOTAL ASSETS		283,684	652,907
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	569,909	342,576
Borrowings	7	150,649	137,411
Employee benefits		49,024	58,389
Other liabilities		60,576	172,372
TOTAL CURRENT LIABILITIES		830,158	710,748
TOTAL LIABILITIES		830,158	710,748
NET ASSETS/ (NET LIABILITIES)		(546,474)	(57,841)
EQUITY/ (NET DEFICIENCY)			
Issued capital	8	26,224,292	25,534,396
Reserves		(5,670,040)	(5,782,839)
Accumulated losses		(21,100,726)	(19,809,398)
TOTAL EQUITY/ (NET DEFICIENCY)		(546,474)	(57,841)

The accompanying notes form part of these financial statements.

Consolidated Interim Statement of Changes in Equity

For the Half Year Ended 30 June 2024

	Issued Capital \$	Accumulated Losses \$	Foreign Currency Translation Reserve \$	Option Reserve \$	Common Control Reserve \$	Total \$
Balance at 1 January 2024	25,534,396	(19,809,398)	133,956	1,015,229	(6,932,024)	(57,841)
Net profit/(loss) for the period	-	(1,291,328)	-	-	-	(1,291,328)
Total other comprehensive income for the period	-	-	(1,490)	-	-	(1,490)
Transactions with owners in their capacity as owners						
Issue of shares via private placement	700,000	-	-	-	-	700,000
Issue of shares to directors in lieu of remuneration	24,411	-	-	-	-	24,411
Issue of shares to consultant in lieu of fees	50,000	-	-	-	-	50,000
Issue of shares to lead manager in lieu of fees	11,448	-	-	-	-	11,448
Transaction costs	(95,963)	-	-	-	-	(95,963)
Issue of options	-	-	-	54,000	-	54,000
Continued vesting of options	-	-	-	60,289	-	60,289
Balance at 30 June 2024	26,224,292	(21,100,726)	132,466	1,129,518	(6,932,024)	(546,474)
Balance at 1 January 2023	25,302,324	(19,782,281)	146,820	3,205,654	(6,932,024)	1,940,493
Net profit/(loss) for the period	-	(2,094,781)	-	-	-	(2,094,781)
Total other comprehensive income for the period	-	-	(13,453)	-	-	(13,453)
Transactions with owners in their capacity as owners						
Issue of shares to consultant in lieu of fees	14,858	-	-	-	-	14,858
Transaction costs	(988)	-	-	-	-	(988)
Lapsed options	-	-	-	(32,533)	-	(32,533)
Continued vesting of options	-	-	-	141,203	-	141,203
Balance at 30 June 2023	25,316,194	(21,877,062)	133,367	3,314,324	(6,932,024)	(45,201)

The accompanying notes form part of these financial statements.

Consolidated Interim Statement of Cash Flows

For the Half Year Ended 30 June 2024

	30 June 2024 \$	30 June 2023 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	-	13,223
Payments to suppliers and employees	(989,719)	(2,255,168)
Interest received	1,572	9,228
Finance costs	-	-
Net VAT and GST refunded	10,314	20,176
Receipt from grants	21,549	249,692
Net cash used in operating activities	(956,284)	(1,962,849)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares	700,000	-
Proceeds from borrowings	115,000	-
Repayment of borrowings	(108,169)	(260,088)
Payment of share issue costs	-	(1,061)
Net cash provided by/(used in) financing activities	706,831	(261,149)
Net increase/(decrease) in cash and cash equivalents held	(249,453)	(2,223,998)
Cash and cash equivalents at beginning of the half year	395,544	2,702,596
Effects of exchange rate changes on cash and cash equivalents	(1,490)	(10,411)
Cash and cash equivalents at end of the half year	144,601	468,187

Notes to the Financial Statements

For the Half Year Ended 30 June 2024

The consolidated interim financial report covers NoviqTech Limited and its controlled entities ("the Group"). NoviqTech Limited is a for-profit Company limited by shares, which are publicly traded on the Australian Securities Exchange (ASX), 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 interim 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 August 2024.

Comparatives are consistent with prior periods, unless otherwise stated.

1 Basis of Preparation

This interim financial report for the reporting period ended 30 June 2024 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

The interim financial report is intended to provide users with an update on the latest annual financial statements of NoviqTech Limited. As such it does not contain information that represents relatively insignificant changes occurring during the half year within NoviqTech Limited. This interim financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of NoviqTech Limited for the year ended 31 December 2023, together with any public announcements made during the half year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

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.

Going concern

The financial statements for the period ended 30 June 2024 have been prepared on the basis that the Group is a going concern and therefore, contemplates the continuity of normal business activity, realisation of assets and settlement of liabilities in the normal course of business.

As at 30 June 2024, the Group has a net liabilities position of \$546,474 and its current liabilities exceed its current assets by \$595,820. During the financial period, the Group had cash outflows from operating activities of \$956,284, and a net loss from operating activities of \$1,291,328.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Group's ability to continue as a going concern is dependent upon its ability to generate cash flow through its business operations and the ability to raise additional finance from debt or equity if and when required, to contribute to the Group's working capital position. The Directors continue to be focused on meeting the Group's business objectives and are mindful of the funding requirements to meet these objectives.

Notes to the Financial Statements

For the Half Year Ended 30 June 2024

1 Basis of Preparation (continued)

Going concern (continued)

The Directors, at the date of preparing these interim financial statements, have reasonable grounds to believe that the Group will continue as a going concern, dependent on the following:

- 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.

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 prepare the financial statements on the going concern basis. This is on the basis of the below:

- In March 2024, the Group raised and received \$700,000 (before costs) via a successful private placement to sophisticated and professional investors. The placement includes the issue of 175,000,000 new ordinary shares, priced at \$0.004 each plus one free attaching unlisted option with an exercise price of \$0.008 per share and a 2-year term from the date of issue per new share issued. A new strategic investor has joined the register as part of this private placement and has invested \$400,000 (before costs). The proceeds of the placement will be used to accelerate the commercialisation of Carbon Central, continuing development of AI functionality in Carbon Central as well as working capital purposes.
- On 7 March 2024, the Group has signed a commercial agreement with SmartSmiths, Inc., trading as "Power Synch", to leverage the capabilities of Carbon Central for tracking sustainable hydrogen production in the United States commencing in 2025.
- On 28 March 2024, the Group received a signed letter of financial support and funding commitment from Copeak Pty Ltd (PEAK) which indicates PEAK's commitment to provide on-going financial support to the Group and reaffirms its commitment to provide ongoing funding to the Group as and when required if other avenues of fundraising are unsuccessful or delayed. In addition, PEAK has also provided a formal loan drawdown facility for an amount of up to \$1.4m to the Group. PEAK further covenants not to call for repayment of any drawdowns made by the Group until at least 30 June 2025.
- The Company and PEAK have agreed and entered into a mandate for capital raising for the period up to 30 June 2025.
- On 8 August 2024, the Group has signed a commercial agreement with Global Resource Recovery (GRR). GRR will utilise Carbon Central to monitor the recycling of spent glycol and amines at its Darwin facility, in particular, it will leverage Carbon Central's digital twin capabilities to track recycling processes and create certificates for recycled chemicals. Carbon Central will enable GRR to provide a transparent and verifiable Guarantee of Origin for its recycled products. GRR will pay a monthly subscription fee and once operational, a fee for each token produced will be charged.

Notes to the Financial Statements

For the Half Year Ended 30 June 2024

1 Basis of Preparation (continued)

Going concern (continued)

- On 15 August 2024, the Group received firm commitments from eligible sophisticated and institutional investors to raise approximately \$550,000 (before costs) through the issue of approximately 24 million full paid ordinary shares at an issue price of \$0.025 per Placement Share, together with one-free attaching option exercisable at \$0.08 and expiry of 24 June 2026 for every one Placement Share subscribed for and issued under the Placement. The Attaching Options will be issued subject to Company Shareholder Approval. Peak Asset Management acted as Lead Manager to the issue (receiving a management and selling fee of 6% of the amount raised under the Placement (plus GST) and 2 million options in the Company on the same terms as the Attaching Options which are to be issued subject to Shareholder approval. In addition to the Placement, the Company will also offer eligible shareholders in Australia and New Zealand on 14 August 2024, the opportunity to participate in the Company's capital raising activities via the share purchase plan for up to a further \$300,000 (before costs) from the issue of up to 12,000,000 shares at an issue price of A\$0.025.

Should the Group not be able to continue as a going concern it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability or classification of recorded asset amounts, nor the amounts or classification of liabilities that might be necessary should the Group not be able to continue as a going concern.

2 Additions to the Group's Accounting Policies

Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time at 1 January 2024. The adoption of these standards has not resulted in material adjustments to the reported financial position, performance or cash flow of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Notes to the Financial Statements

For the Half Year Ended 30 June 2024

3 Critical Accounting Estimates and Judgements

The directors make estimates and judgements during the preparation of these consolidated interim 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 model utilised, (Black-Scholes option pricing model) is intended to value options traded in active markets. The share options issued by the Group, however, have a number of features that make them incomparable to such traded options. Using different input estimates or models could produce different option values, which would result in the recognition of a higher or lower expense.

Key judgement - Accounting treatment for digital assets (cryptocurrency)

Management note that the topic of digital assets and the accounting for digital assets continues to be considered by the IASB and continues to monitor new comments and interpretations released by the IASB and other standard setters from around the world.

In line with this, the Group has considered its position for the half year ended 30 June 2024 and has determined that the Group's digital assets fall into the intangible asset method (the method noted by the IASB in its most recent deliberations).

Management has assessed that, under the intangible asset method and due to the determination that there is a lack of an active market, the measurement of the digital assets at cost less any impairment is appropriate under the respective accounting standards.

On initial recognition, the fair value of digital assets is determined by reference to the quoted price in United States Dollars (USD) on the respective transaction dates from the Coin Market Cap website (www.coinmarketcap.com) at closing Coordinated Universal Time. The Group considers this fair value to be a Level 2 input on the basis that there is not an active market with sufficient volume.

Notes to the Financial Statements

For the Half Year Ended 30 June 2024

4 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 (who are identified as the chief operating decision makers) in assessing performance and determining the allocation of resources.

Management has determined that the Company has two reportable segments, namely, Australia and Europe. The Company is managed primarily on the basis of geographical segments as the operations of NoviqTech Limited in each of these geographic areas have different risk profiles. 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 makers with respect to operating segments, are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of NoviqTech Limited.

(b) Segment assets

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

(c) Segment liabilities

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

NoviqTech Limited

ABN 37 622 817 421

Notes to the Financial Statements For the Half Year Ended 30 June 2024

4 Operating Segments (continued)

(d) Segment performance

	Australia		Europe		Elimination		Total	
	30 June	30 June	30 June	30 June	30 June	30 June	30 June	30 June
	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$
INCOME								
Revenue from external customers	-	13,124	-	-	-	-	-	13,124
Other segment income	8,929	98,531	126,185	121,126	(8,929)	(9,059)	126,185	210,598
Interest income	332,060	265,992	-	-	(330,488)	(256,764)	1,572	9,228
Total segment revenue	340,989	377,647	126,185	121,126	(339,417)	(265,823)	127,757	232,950
Impairment expense	-	22,571	-	-	-	-	-	22,571
Interest paid	190,671	135,290	151,091	126,900	(330,488)	(256,764)	11,274	5,426
Other segment expenses	1,205,145	1,863,421	231,788	231,238	(29,122)	205,075	1,407,811	2,299,734
Total segment expenses	1,395,816	2,021,282	382,879	358,138	(359,610)	(51,689)	1,419,085	2,327,731
Segment net profit/(loss)	(1,054,827)	1,643,635)	(256,694)	(237,012)	20,193	(214,134)	(1,291,328)	(2,094,781)

NoviqTech Limited

ABN 37 622 817 421

Notes to the Financial Statements For the Half Year Ended 30 June 2024

4 Operating Segments (continued)

(e) Segment assets

	Australia		Europe		Elimination		Total	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2024	2023	2024	2023	2024	2023	2024	2023
	\$	\$	\$	\$	\$	\$	\$	\$
Segment assets	14,009,845	13,242,832	15,184	39,362	(13,741,345)	(12,629,287)	283,684	652,907
Total segment assets	14,009,845	13,242,832	15,184	39,362	(13,741,345)	(12,629,287)	283,684	652,907

(f) Segment liabilities

Segment liabilities	8,387,943	7,370,288	6,183,462	5,969,648	(13,741,247)	(12,629,188)	830,158	710,748
Total segment liabilities	8,387,943	7,370,288	6,183,462	5,969,648	(13,741,247)	(12,629,188)	830,158	710,748

Notes to the Financial Statements

For the Half Year Ended 30 June 2024

5 Intangible Assets

	30 June 2024 \$	31 December 2023 \$
Development costs		
Cost	2,678,745	2,678,745
Accumulated amortisation and impairment	(2,678,745)	(2,678,745)
Net carrying value	-	-
Digital Assets - HBAR Cryptocurrency		
Cost	172,633	171,075
Accumulated impairment	(123,287)	(123,287)
Net carrying value	49,346	47,788
Total intangibles	49,346	47,788

(a) Movements in carrying amounts of intangible assets

	Digital Assets - Cryptocurrency \$	Development costs \$	Total \$
Half Year ended 30 June 2024			
Balance at the beginning of the half year	47,788	-	47,788
Additions	-	-	-
Additions	-	-	-
Disposals	-	-	-
Amortisation	-	-	-
Foreign exchange movements	1,558	-	1,558
Closing value at 30 June 2024	49,346	-	49,346

(b) Impairment of digital assets (cryptocurrency)

The Group entered into a HBAR Grant and Rewards Agreement with The HBAR Foundation on 21 March 2022 for a period of 4 years. The total value of the grant is approximately USD1,000,000 payable in HBAR (cryptocurrency native to the Hedera Network) with an initial payment of approximately USD100,000 (paid in the equivalent HBAR on date of transaction being 4 May 2022).

Notes to the Financial Statements

For the Half Year Ended 30 June 2024

5 Intangible Assets (continued)

(b) Impairment of digital assets (cryptocurrency) (continued)

The Group acquires HBAR (digital asset) in various separate transactions. Each individual acquisition of HBAR held by the Group represents a unit of account for impairment testing purposes and the Group maintains the carrying values of each acquisition in order to perform impairment testing.

The fair value of the HBAR is determined with reference to the HBAR-USD (US Dollar) rate on the respective transaction dates from the Coin Market Cap website (www.coinmarketcap.com) at closing Coordinated Universal Time. In the event that the fair value of HBAR falls below its carrying value, an impairment is recorded. During the half year ended 30 June 2024, an impairment charge of \$NIL was recognised in profit and loss (30 June 2023: \$22,571).

(c) Restrictions on use of digital assets

As part of the agreement with The HBAR Foundation, the Group agrees that it will not transfer, or cause to be transferred, any HBARS received under the agreement out of the original payment account, or otherwise transfer, exchange, distribute or sell those HBARS for fiat currency or a different cryptocurrency, unless mutually agreed to transfer as fiat currency, for a period of 6 months from the granting of the HBARS. Exceptions to this requirement are:

- transfer from one NoviqTech/TYMLEZ account to another NoviqTech/TYMLEZ account;
- transfer to pay transaction fees required to make use of the Hedera Network.

6 Trade and Other Payables

	30 June 2024 \$	31 December 2023 \$
CURRENT		
Trade payables	274,020	137,405
Taxes and social security	27,715	8,816
Sundry payables and accrued expenses	51,645	68,635
Other payables	216,529	127,720
Total current trade and other payables	569,909	342,576

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.

Notes to the Financial Statements

For the Half Year Ended 30 June 2024

7 Borrowings

		30 June 2024	31 December 2023
	Note	\$	\$
CURRENT			
<i>Unsecured liabilities:</i>			
Loan facility	7(a)	115,131	-
Insurance premium funding	7(b)	35,518	137,411
Total current borrowings		150,649	137,411

(a) Loan facility

On 28 March 2024, Copeak Pty Ltd (PEAK) provided the Group with a formal loan drawdown facility for an amount of up to \$1.4m. PEAK further covenants not to call for repayment of any drawdowns made by the Group until at least 30 June 2025. Interest charged is 5% per annum, compounding daily.

As at 30 June 2024, \$115,131 was drawn down and \$1,284,869 of the drawdown facility remain unused.

(b) Insurance premium funding

Insurance premium funding has a fixed interest rate of 6.29% per annum (2023: 5.23% per annum).

8 Issued Capital

	30 June 2024	31 December 2023
	\$	\$
150,544.667 (2023: 1,309,445,295) fully paid ordinary shares	29,287,590	28,501,731
Share issue costs	(3,063,298)	(2,967,335)
Total issued capital	26,224,292	25,534,396

(a) Ordinary shares

	30 June 2024	31 December 2023
	No.	No.
At the beginning of the reporting period	1,309,445,295	1,092,195,295
Shares issued during the period:		
- Shares issued on private placement at \$0.004 (2023: \$0.004) pre-consolidation per share	175,000,000	212,250,000
- Shares issued to Lead Manager at \$0.004 pre-consolidation per share	9 2,862,000	-
- Consolidation of shares (10:1) completed on 11 June 2024	(1,338,576,310)	-
- Shares issued to directors in lieu of remuneration at \$0.03 post consolidation (2023: \$0.003 pre-consolidation) per share	9,10 813,682	5,000,000
- Shares issued to consultant in lieu of fees at \$0.05 post consolidation per share	9 1,000,000	-
At the end of the reporting period	150,544,667	1,309,445,295

Notes to the Financial Statements

For the Half Year Ended 30 June 2024

8 Issued Capital (continued)

(a) Ordinary shares (continued)

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.

On 31 May 2024, the Company held an Annual General Meeting, during which shareholders approved the consolidation of every 10 ordinary shares held by a shareholder into 1 ordinary share. The share consolidation was completed on 11 June 2024. 1,487,307,295 fully paid ordinary shares (pre-consolidation) was consolidated to 148,739,985 fully paid ordinary shares (post-consolidation). The variance in the number of ordinary shares was due to the rounding up of fractions issued to individual shareholders post consolidation.

(b) Capital Management

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

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

9 Share-based Payments

During the half year ended 30 June 2024, the Company granted the following ordinary shares:

- Copeak Corporate Pty Ltd <The Trustee for Peak Asset Management Unit Trust> ("PEAK") acted as the Lead Manager in respect of the Private Placement that was completed during March 2024. As PEAK had elected to exercise its right to take their fees in the form of fully paid ordinary shares, on 18 March 2024, the Company issued 2,862,000 (pre-consolidation) fully paid ordinary shares at \$0.004 each to PEAK as part payment, subsequent to receiving shareholder approval at the Company's Annual General Meeting (AGM). The balance of was paid via the issue of a further 763,800 fully paid ordinary shares (post-consolidation) at \$0.04 each subsequent to 30 June 2024.
- On 24 June 2024, Company issued a total of 813,682 (post-consolidation) fully paid ordinary shares at \$0.03 each to the following directors in lieu of 50% of their accrued directors' fees for the first 6 months of their appointment, being 28 June - 27 December 2023:
 - Dr Raffaele Marcellino - 380,641 fully paid ordinary shares; and
 - Mr Darren Scott - 433,041 fully paid ordinary shares.
- On 24 June 2024, the Company issued 1,000,000 (post-consolidation) fully paid ordinary shares at \$0.05 each to a consultant in lieu of fees for recruitment services.

Refer to Note 8(a) for details of movements in ordinary shares.

During the half year ended 30 June 2024, the Company granted the following options:

- Further to the capital raising fees paid via the issue of fully paid ordinary shares as mentioned above, on 24 June 2024, the Company issued 2,000,000 (post consolidation) unlisted options with an exercise price of \$0.08, and expiring on 24 June 2026 to PEAK as part consideration of capital raising fees pursuant to the signed mandate dated 29 February 2024, subsequent to receiving shareholder approval at the Company's AGM. The total fair value of these options is \$54,000.

Notes to the Financial Statements

For the Half Year Ended 30 June 2024

9 Share-based Payments (continued)

- - -

The weighted average fair value of the options granted during the half year was \$0.0027 ended 30 June 2024. These values were calculated by using a Black-Scholes option pricing model applying the following inputs:

Grant date:	29 February 2024
Expiry date:	24 June 2024
Share price at grant date (\$):	0.003
Exercise price (\$):	0.008
Weighted average life of the option (years):	2.00
Expected share price volatility:	162.00 %
Risk-free interest rate:	3.754 %
Fair value at grant date (\$):	0.0027

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 30 June 2024 was \$0.038.

10 Related Party Transactions

During the half year ended 30 June 2024, the Group had the following related party transactions:

- MorphoTech Limited ("MorphoTech"), a company incorporated and based in the United Kingdom, provided software development sub-contractor services to the Group. Mr Fady El Turk, Executive Director and CEO of the Group, is the owner/director of ("MorphoTech"). The total fees charged for these services during the half year ended 30 June 2024 is \$291,607 and the balance owing as at 30 June 2024 is \$100,857; and
- The Group issued a total of 813,682 (post-consolidation) fully paid ordinary shares at \$0.03 each to the following directors in lieu of their directors' fees:
 - Dr Raffaele Marcellino - 380,641 fully paid ordinary shares; and
 - Mr Darren Scott - 433,041 fully paid ordinary shares.

11 Commitments and Contingencies

In the opinion of the Directors, the Group did not have any contracted commitments for expenditure, contingent assets or liabilities at 30 June 2024 (31 December 2023: None).

Notes to the Financial Statements

For the Half Year Ended 30 June 2024

12 Events Occurring After the Reporting Date

The consolidated interim financial report was authorised for issue on 31 August 2024 by the board of directors.

On 5 July 2024, the Company issued 763,800 fully paid ordinary shares (post-consolidation) at \$0.04 each to Copeak Corporate Pty Ltd <The Trustee for Peak Asset Management Unit Trust> ("PEAK") in lieu of capital raising fees in respect of the private placement completed in March 2024.

On 8 August 2024, the Group has signed a commercial agreement with Global Resource Recovery (GRR). GRR will utilise Carbon Central to monitor the recycling of spent glycol and amines at its Darwin facility, in particular, it will leverage Carbon Central's digital twin capabilities to track recycling processes and create certificates for recycled chemicals. Carbon Central will enable GRR to provide a transparent and verifiable Guarantee of Origin for its recycled products. GRR will pay a monthly subscription fee and once operational, a fee for each token produced will be charged.

On 15 August 2024, the Group received firm commitments from eligible sophisticated and institutional investors to raise approximately \$550,000 (before costs) through the issue of approximately 24 million full paid ordinary shares at an issue price of \$0.025 per placement share, together with one-free attaching option exercisable at \$0.08 and expiry of 24 June 2026 for every one placement share subscribed for and issued under the placement. The attaching options will be issued subject to Company shareholder approval. On 27 August 2024, 17,520,000 fully paid ordinary shares have been issued in respect of funds received from the placement. The remaining 4,480,000 ordinary shares will be issued subsequent to the receipt of funds. The 22,000,000 free attaching options have also not been issued at the date of this report.

Copeak Corporate Pty Ltd <The Trustee for Peak Asset Management Unit Trust> ("PEAK") was engaged to act as lead manager for the above placement. Pursuant to the executed engagement with PEAK dated 12 August 2024, the term of the engagement is for the period 12 August 2024 to 30 November 2024 and the fees for the capital raising are as follows:

1. A 6% capital raising fee on all funds raised under the offer (excluding GST) ("Capital Raising Fee"); and
2. Subject to A\$600,000 raised, the Company will issue PEAK with 2 million options on the same terms as the investor options. Approval of the issue of those options will be sought at the EGM. In the absence of shareholder approval, the fee is payable in cash to equivalent value.

In addition to the above placement, the Company will also offer eligible shareholders in Australia and New Zealand on 14 August 2024, the opportunity to participate in the Company's capital raising activities via the share purchase plan for up to a further \$300,000 (before costs) from the issue of up to 12,000,000 ordinary shares at an issue price of A\$0.025 each. The offer open date is 26 August 2024 and will close on 27 September 2024.

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

Directors' Declaration

The directors of the Company declare that:

- 1. The consolidated interim financial statements and notes, as set out on pages 5 to 21 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134 *Interim Financial Reporting*; and
 - (b) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the half-year ended on that date.
- 2. 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".

This declaration is made in accordance with a resolution of the Board of Directors pursuant to section 303(5)(a) of the *Corporations Act 2001*.



Executive Director & CEO:

Fady El Turk

Raffaolo Marcellino

Non-Executive Chairman:

Raffaele Marcellino

Dated this 30th day of August 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of NoviqTech Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of NoviqTech Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated interim statement of financial position as at 30 June 2024, the consolidated interim statement of profit or loss and other comprehensive income, the consolidated interim statement of changes in equity and the consolidated interim statement of cash flows for the half-year ended on that date, material accounting policy information and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- i. Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the half-year ended on that date; and
- ii. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company 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 (including Independence Standards)* (the Code) that are relevant to the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

We draw attention to Note 1 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a going concern and therefore the Group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our conclusion is not modified in respect of this matter.

Responsibility of the directors for the financial report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is true and fair and is free from material misstatement, whether due to fraud or error.

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2024 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit Pty Ltd



Jackson Wheeler

Director

Perth, 30 August 2024