

## **PARKD LIMITED – RESULTS FOR ANNOUNCEMENT TO THE MARKET**

In accordance with the Listing Rules, Parkd Limited (**ASX:PKD**) (“**PARKD**” or the “**Company**”) encloses for immediate release the following information:

Appendix 4E – Preliminary Final Report for the year ended 30 June 2022

This announcement has been approved for release by the Board of Directors.

**ENDS**

For further information, please contact:

**Peter McUtchen**

Managing Director

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### **ABOUT PARKD LTD**

PARKD has intellectual property rights to aspects of an innovative lightweight concrete “modular” car parking system. The modular aspect of the system and the minimising of structural weight provides the ability to relocate the car park or adapt it to parking demands by adding or subtracting to the structural levels of the car park. The PARKD Car Park System is currently designed for single or multi rise arrangements of up to 6 levels including ground level. The PARKD Car Park System is prefabricated offsite with the potential to reduce construction time, cost and site disruption when compared to traditional construction methods.

**PARKD Limited**  
**Appendix 4E**  
**Preliminary Final Report**

**1. Company details**

Name of entity:	PARKD Limited
ABN:	94 615 443 037
Reporting period:	For the year ended 30 June 2022
Previous period:	For the year ended 30 June 2021

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**2. Results for announcement to the market**

				\$
Revenues from ordinary activities	up	1633%	to	2,102,193
Loss from ordinary activities after tax attributable to the owners of PARKD Limited	up	104%	to	1,281,274
Loss for the year attributable to the owners of PARKD Limited	up	104%	to	1,281,274

*Dividends*

No dividend has been declared during or subsequent to the financial year.

**Comments**

Revenues for the period were generated from the delivery of technical design reports to develop multistorey car parks for various clients including St John of God Private Hospital, Healthscope Private Hospitals, Base Properties and Bendigo City Council; and the design and construction works on the John Hughes Group and the Coxon Group projects.

The John Hughes Project delivers approx. 1800m<sup>2</sup> pf mezzanine structure within an existing warehouse in inner-city Victoria Park. Substantial completion was achieved in June which includes all works associated with the physical use of the structure with fit out items completed in July 2022. The project demonstrates the flexibility of the PARKD System and technical solutions in a specialised sector of the construction market. This technical solution has delivered the John Hughes Group with a versatile Storage mezzanine that will transform the former warehouse into a more flexible commercial and operational space.

The Coxon Kewdale Commercial project, for the design and construction of a 3-storey car park and commercial building, has progressed with completion of manufacturing shop drawings in Stage 1 of the project. The Stage 2 formal construction contract is being negotiated.

The Group loss for the year was \$1,281,274 (2021: \$627,940). The loss for the period increase, in comparison to the prior year, was due to a number of factors including but not limited to the following:

- Increase in staff costs to reinstate salaries to pre-April 2020 COVID levels when staff salary reductions were taken and remuneration for work performed for the successful signing of construction contracts in the period;
- Directors and employees were granted incentive options during the year. Share based payment expense recognised in for the year amounted to \$294,147 (2021: \$Nil);
- Increased in general and administrative staff costs associated with increased activity in the period;
- There were no Government allowances or COVID-19 relief incentives received in this period (2021: \$138,000)
- The Group continues its research and development activities with the R&D rebate application received in this year of \$183,604 (2021: \$235,509).

The operating cash outflows for the year were increased to \$735,684 as compared to the prior year of \$490,047.

The Group's cash and cash equivalents were \$888,748 at 30 June 2022 (2021: \$1,698,182) and net assets at 30 June 2022 were \$672,498 (2021: \$1,659,625).

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**3. Net tangible assets**

	<b>Reporting period Cents</b>	<b>Previous period Cents</b>
Net tangible assets per ordinary security	<u>0.67</u>	<u>1.66</u>

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**4. Control gained over entities**

A construction company PARKD CONSTRUCTION PTY LTD was incorporated in the period with 100% ownership to PARKD Limited.

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**5. Loss of control over entities**

Not applicable.

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**6. Details of associates and joint venture entities**

Not applicable

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**7. Audit qualification or review**

The financial statements are in the process of being audited by RSM Australia Partners. The audited annual report is expected to be released by 30 September 2022.

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**8. Attachments**

The following statements are attached:

Consolidated Statement of Comprehensive income for the year ended 30 June 2022

Consolidated Statement of Financial Position as at 30 June 2022

Consolidated Statement of Cash Flows for the year ended 30 June 2022

Consolidated Statement of Changes in equity for the year ended 30 June 2022

Notes to the above statements for the year ended 30 June 2022

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**9. Signed**



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Date: 31 August 2022

Peter McUtchen  
Managing Director

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2022

	Note	Group 2022 \$	Company 2021 \$
<b>Revenue</b>			
Sales from contracts with customers	2	2,102,193	121,300
Cost of sales		<u>(1,970,825)</u>	<u>(57,605)</u>
Gross profit		131,368	63,695
Interest income	2	332	1,160
Other income	2	183,604	376,126
<b>Expenses</b>			
Administration expenses		(502,733)	(373,641)
Employee benefits expense		(799,170)	(641,073)
Amortisation expense		-	(52,743)
Finance costs		(528)	(1,464)
Share based payments		<u>(294,147)</u>	<u>-</u>
<b>Loss before income tax expense</b>		<u>(1,281,274)</u>	<u>(627,940)</u>
Income tax expense	3	-	-
<b>Loss after income tax expense for the year</b>		(1,281,274)	(627,940)
<b>Other comprehensive income</b>			
Other comprehensive income for the year, net of tax		-	-
<b>Total comprehensive loss for the year</b>		<u>(1,281,274)</u>	<u>(627,940)</u>
		<b>Cents</b>	<b>Cents</b>
Basic loss per share		(1.28)	(0.78)
Diluted loss per share		(1.28)	(0.78)

*The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes*

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

	Note	Group 2022 \$	Company 2021 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	5	888,748	1,698,182
Trade and other receivables	6	7,260	20,350
Contract assets	7	387,171	-
Other current assets	8	154,045	50,211
<b>Total current assets</b>		<u>1,437,224</u>	<u>1,768,743</u>
<b>Total assets</b>		<u>1,437,224</u>	<u>1,768,743</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	9	682,656	59,196
Provisions	10	82,070	49,922
<b>Total current liabilities</b>		<u>764,726</u>	<u>109,118</u>
<b>Total liabilities</b>		<u>764,726</u>	<u>109,118</u>
<b>Net assets</b>		<u>672,498</u>	<u>1,659,625</u>
<b>Equity</b>			
Issued capital		7,126,612	7,126,612
Reserves		457,226	210,210
Accumulated losses		<u>(6,911,340)</u>	<u>(5,677,197)</u>
<b>Total equity</b>		<u>672,498</u>	<u>1,659,625</u>

*The above consolidated statement of financial position should be read in conjunction with the accompanying notes*

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2022

<b>Company 2021</b>	<b>Issued capital \$</b>	<b>Reserves \$</b>	<b>Accumulated Losses \$</b>	<b>Total equity \$</b>
<b>Balance at 1 July 2020</b>	<b>5,979,519</b>	<b>1,107,409</b>	<b>(5,946,456)</b>	<b>1,140,472</b>
Loss after income tax expense for the year	-	-	(627,940)	(627,940)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(627,940)	(627,940)
<i>Transactions with owners in their capacity as owners:</i>				
Shares issued	1,252,507	-	-	1,252,507
Share issue costs	(105,414)	-	-	(105,414)
Option expired	-	(897,199)	897,199	-
<b>Balance at 30 June 2021</b>	<b>7,126,612</b>	<b>210,210</b>	<b>(5,677,197)</b>	<b>1,659,625</b>
<b>Group 2022</b>	<b>Issued capital \$</b>	<b>Reserves \$</b>	<b>Accumulated Losses \$</b>	<b>Total Equity \$</b>
<b>Balance at 1 July 2021</b>	<b>7,126,612</b>	<b>210,210</b>	<b>(5,677,197)</b>	<b>1,659,625</b>
Loss after income tax expense for the year	-	-	(1,281,274)	(1,281,274)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(1,281,274)	(1,281,274)
<i>Transactions with owners in their capacity as owners:</i>				
Unlisted options expired in the year	-	(47,131)	47,131	-
Share based payments	-	294,147	-	297,147
<b>Balance at 30 June 2022</b>	<b>7,126,612</b>	<b>457,226</b>	<b>(6,911,340)</b>	<b>672,498</b>

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2022

	Note	Group 2022 \$	Company 2021 \$
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		1,357,344	152,681
Payments to suppliers and employees (inclusive of GST)		<u>(2,276,436)</u>	<u>(1,017,195)</u>
		(919,092)	(864,514)
Interest received		332	1,160
Interest and other finance costs paid		(528)	(202)
Research and development tax rebate received		183,604	235,509
Government stimulus measures received		<u>-</u>	<u>138,000</u>
<b>Net cash used in operating activities</b>	5	<u>(735,684)</u>	<u>(490,047)</u>
<b>Cash flows from investing activities</b>			
Bank guarantee deposits		<u>(73,750)</u>	<u>-</u>
<b>Net cash used in investing activities</b>		<u>(73,750)</u>	<u>-</u>
<b>Cash flows from financing activities</b>			
Payment of lease liabilities		-	(62,605)
Proceeds from issue of shares		-	1,252,507
Share issue transaction costs		<u>-</u>	<u>(105,414)</u>
<b>Net cash from financing activities</b>		<u>-</u>	<u>1,084,488</u>
Net (decrease)/increase in cash and cash equivalents		(809,434)	594,441
Cash and cash equivalents at the beginning of the financial year		<u>1,698,182</u>	<u>1,103,741</u>
<b>Cash and cash equivalents at the end of the financial year</b>	5	<u><u>888,748</u></u>	<u><u>1,698,182</u></u>

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes*

# NOTES TO THE FINANCIAL STATEMENTS

## Note 1. Significant accounting policies

This preliminary final report has been prepared in accordance with ASX Listing Rule 4.3A and the disclosure requirements of ASX Appendix 4E. This report is to be read in conjunction with any public announcements made by the PARKD Limited during the reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001 and Australian Securities Exchange Listing Rules.

The Preliminary Financial Report of PARKD Limited and its controlled entities, comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

### **New, revised or amending Accounting Standards and Interpretations adopted**

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB") that are mandatory for the current reporting period.

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

### **Revenue recognition**

The Group recognises revenue as follows:

#### *Revenue from contracts with customers*

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

#### *Rendering of services*

Revenue from a contract (based on terms of the contract) to provide services is recognised at the point upon the delivery of the service to the customers or over time as the services are rendered based on either a fixed price or an hourly rate.

#### *Other income*

Other income is primarily the research and development tax refund received for a claim under the Commonwealth Government's Research and Development Tax Incentive Regime. Revenue is recorded once it is highly probable that the Group will receive the benefit.



## NOTES TO THE FINANCIAL STATEMENTS

### Note 2. Revenue

	<b>Group 2022 \$</b>	<b>Company 2021 \$</b>
<i>Revenue from contracts with customers</i>		
Feasibility and design technical services	248,250	121,300
Design and construction of car parks	1,853,943	-
	<u>2,102,193</u>	<u>121,300</u>
<i>Other revenue</i>		
Interest income	332	1,160
Research and development tax offset	183,604	235,510
Government assistance packages	-	138,000
Other income	-	2,616
	<u>183,936</u>	<u>377,286</u>
	<u>2,286,129</u>	<u>498,586</u>

#### *Disaggregation of revenue*

The disaggregation of revenue from contracts with customers is as follows:

#### *Timing of revenue recognition*

Services transferred at a point in time – feasibility and design work	248,250	121,300
Services transferred over time – design and construction of car parks	1,853,943	-
	<u>2,102,193</u>	<u>121,300</u>

### Note 3. Income Tax

The prima facie tax receivable on loss before income tax is reconciled to the income tax expense as follows:

	<b>Group 2022 \$</b>	<b>Company 2021 \$</b>
Prima facie benefit on operating loss at 25% (2021: 26%)	320,319	163,264
Tax effect of non-deductible and non-assessable items	(38,537)	93,355
Tax effect of timing differences	41,018	(1,259)
Tax losses not brought to account	(322,800)	(255,360)
	<u>-</u>	<u>-</u>
Income tax benefit attributable to operating loss	-	-

A potential deferred tax asset, attributable to tax losses carried forward, amounts to approximately \$1,271,882 (2021: \$1,079,596) and has not been brought to account at reporting date because the directors do not believe it is appropriate to regard realisation of the deferred tax asset as probable at this point in time. This benefit will only be obtained if:

- the Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss and research and development expenditure to be realised;
  - the Group continues to comply with the conditions for deductibility imposed by law; and
- no changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the loss and research and development expenditure.

# NOTES TO THE FINANCIAL STATEMENTS

## Note 4. Operating segments

The Group has considered the requirements of AASB 8 – Operating Segments and has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group operates as a single segment being the development of an innovative modular parking system (the “PARKD Modular Car Parking System”).

There is no difference between the audited financial report and the internal reports generated for review. The Group is domiciled in Australia and is currently in the development phase and has generates revenue from operations in the current financial year. All the assets are located in Australia.

## Note 5. Cash and cash equivalents

	<b>Group 2022 \$</b>	<b>Company 2021 \$</b>
Cash at bank	888,748	1,698,182

## Reconciliation of profit after income tax to net cash from operating activities

Loss after income tax expense for the year	(1,281,274)	(627,940)
Adjustments for:		
Share-based payments	294,147	-
Amortisation expense	-	52,743
Non-cash interest expense	-	1,261
Change in operating assets and liabilities:		
- trade and other receivables	13,090	20,895
- other current assets	(417,255)	49,404
- employee entitlement provisions	32,148	14,483
- trade and other payables	623,460	(893)
Net cash used in operating activities	(735,684)	(490,047)

## Note 6. Trade debtors and other receivables

	<b>Group 2022 \$</b>	<b>Company 2021 \$</b>
Trade debtors	7,260	20,350

### *Allowance for expected credit losses*

The Group has not recognised any loss (2021: nil) in profit or loss in respect of the expected credit losses for the year ended 30 June 2022.

## NOTES TO THE FINANCIAL STATEMENTS

### Note 7. Contract assets

	<b>Group 2022 \$</b>	<b>Company 2021 \$</b>
Contract assets	387,171	-

Contract assets represents the Group's rights to consideration for work completed but not billed at the reporting date on its construction projects. The contract asset is transferred to receivables when the rights become unconditional. This usually occurs when the Group issues an invoice to the client.

### Note 8. Other current assets

	<b>Group 2022 \$</b>	<b>Company 2021 \$</b>
Prepayments	79,655	49,571
Bank guarantee	73,750	-
Other receivables	640	640
	<u>154,045</u>	<u>50,211</u>

### Note 9. Trade and other payables

	<b>Group 2022 \$</b>	<b>Company 2021 \$</b>
Trade payables and accruals	682,656	59,196

### Note 10. Provisions

	<b>Group 2022 \$</b>	<b>Company 2021 \$</b>
Employee benefits	82,070	49,922

### Note 11. Contingent assets and liabilities

The Group does not have any other contingent assets or contingent liabilities at 30 June 2022 (30 June 2021: Nil).

### Note 12. Interest in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiary:

<b>Name</b>	<b>Country of incorporation</b>	<b>2022 %</b>	<b>2021 %</b>
PARKD Construction Pty Ltd	Australia	100%	-