

**Tymlez Group Limited**  
**Appendix 4E**  
**Preliminary final report**

**1. Company details**

Name of entity: Tymlez Group Limited  
ABN: 37 622 817 421  
Reporting period: For the year ended 31 December 2020  
Previous period: For the year ended 31 December 2019

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

				<b>A\$</b>
Revenue from ordinary activities	down	(37.19) %	to	192,784
Loss from ordinary activities after tax attributable to the owners of Tymlez Group Limited	down	(46.35) %	to	(3,605,156)
Loss for the year attributable to the owners of Tymlez Group Limited	down	(46.35) %	to	(3,605,156)

*Dividends*

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

*Comments*

The loss for the consolidated entity after providing for income tax amounted to \$3,605,156 (2019: loss of \$6,719,585).

**3. Net tangible assets**

	<b>Reporting period Cents</b>	<b>Previous period Cents</b>
Net tangible assets per ordinary security	0.21	0.16

**4. Control gained over entities**

Name of entity: Tymlez Pty Ltd (newly incorporated entity)  
Date of gain of control: 9 July 2020

	<b>Reporting period A\$</b>
Contribution of Tymlez Pty Ltd to Tymlez Group Limited's loss from ordinary activities after tax	(250,920)

**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.

*Previous period*

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

**7. Dividend reinvestment plans**

Not applicable

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

Not applicable

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**9. Foreign entities**

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

Not applicable

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**10. Audit qualification or review**

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

The financial statements are currently being audited

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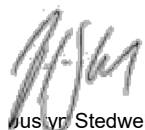
**11. Attachments**

*Details of attachments (if any):*

The Preliminary Report of Tymlez Group Limited for the year ended 31 December 2020 is attached.

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**12. Signed**



Justin Stedwell  
Company Secretary  
On behalf of the Board of Directors  
Tymlez Group Limited  
26 February 2021

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**Tymlez Group Limited**

**ABN 37 622 817 421**

**Preliminary Report - 31 December 2020**

# Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2020

	Note	2020 \$	2019 \$
<b>Continuing Operations</b>			
Revenue	1	192,784	306,921
Other income		368	2,074
Employee benefits expense		(1,946,156)	(2,286,297)
Depreciation and amortisation expense	2	-	(655,803)
Impairment loss on non-current assets	2	-	(2,227,383)
Management fees		(524,822)	(540,360)
Occupancy expenses		(82,446)	(35,979)
Office expenses		(96,507)	(120,376)
Professional fees		(626,273)	(502,529)
Selling and distribution expenses		(155,724)	(367,199)
Other expenses		(324,525)	(271,341)
Finance costs	2	(40,583)	(22,573)
<b>Loss before income tax</b>		<b>(3,603,884)</b>	<b>(6,720,845)</b>
Income tax (expense)/benefit		(1,272)	1,260
<b>Loss for the year</b>		<b>(3,605,156)</b>	<b>(6,719,585)</b>
<b>Other comprehensive income, net of income tax</b>			
<b>Items that will not be reclassified subsequently to profit or loss</b>		-	-
<b>Items that will be reclassified to profit or loss when specific conditions are met</b>			
Exchange differences on translating foreign controlled entities	6	(3,780)	(2,219)
<b>Other comprehensive income/(loss) for the year, net of tax</b>		<b>(3,780)</b>	<b>(2,219)</b>
<b>Total comprehensive income/(loss) for the year</b>		<b>(3,608,936)</b>	<b>(6,721,804)</b>
<b>Profit/(loss) attributable to:</b>			
Members of the parent entity		(3,605,156)	(6,719,585)
		<b>(3,605,156)</b>	<b>(6,719,585)</b>
<b>Total comprehensive income attributable to:</b>			
Members of the parent entity		(3,608,936)	(6,721,804)
		<b>(3,608,936)</b>	<b>(6,721,804)</b>
<b>Earnings per share:</b>			
Basic, loss for the year attributable to ordinary equity holders of the parent (cents)	3	(1.60)	(5.07)
Diluted, loss for the year attributable to ordinary equity holders of the parent (cents)	3	(1.60)	(5.07)
<b>Earnings per share for continuing operations:</b>			
Basic, loss from continuing operations attributable to ordinary equity holders of the parent (cents)	3	(1.60)	(5.07)
Diluted, loss from continuing operations attributable to ordinary equity holders of the parent (cents)	3	(1.60)	(5.07)

# Tymlez Group Limited

ABN 37 622 817 421

## Consolidated Statement of Financial Position

As At 31 December 2020

	Note	2020 \$	2019 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		1,841,170	714,430
Trade and other receivables		96,470	199,679
Other assets		188,336	229,097
<b>TOTAL CURRENT ASSETS</b>		<b>2,125,976</b>	<b>1,143,206</b>
<b>TOTAL ASSETS</b>		<b>2,125,976</b>	<b>1,143,206</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables		636,632	570,587
Borrowings	4	422,154	188,122
Employee benefits		586	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,059,372</b>	<b>758,709</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	4	458,280	144,167
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>458,280</b>	<b>144,167</b>
<b>TOTAL LIABILITIES</b>		<b>1,517,652</b>	<b>902,876</b>
<b>NET ASSETS</b>		<b>608,324</b>	<b>240,330</b>
<b>EQUITY</b>			
Issued capital	5	16,657,725	14,614,311
Reserves	6	(3,361,926)	(5,291,662)
Accumulated losses		(12,687,475)	(9,082,319)
<b>TOTAL EQUITY</b>		<b>608,324</b>	<b>240,330</b>

The accompanying notes form part of these financial statements.

## Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2020

	Note	Issued Capital \$	Accumulated Losses \$	Foreign Currency Translation Reserve \$	Option Reserve \$	Deferred Consideration Shares Reserve \$	Common Control Reserve \$	Total \$
<b>Balance at 1 January 2020</b>		<b>14,614,311</b>	<b>(9,082,319)</b>	<b>152,699</b>	<b>885,644</b>	<b>602,019</b>	<b>(6,932,024)</b>	<b>240,330</b>
Net profit/(loss) for the year		-	(3,605,156)	-	-	-	-	(3,605,156)
Total other comprehensive income for the year	6	-	-	(3,780)	-	-	-	(3,780)
<b>Transactions with owners in their capacity as owners</b>								
Contribution of equity, net of transaction costs	5	2,043,414	-	-	-	-	-	2,043,414
Issue of options	6	-	-	-	1,933,516	-	-	1,933,516
<b>Balance at 31 December 2020</b>		<b>16,657,725</b>	<b>(12,687,475)</b>	<b>148,919</b>	<b>2,819,160</b>	<b>602,019</b>	<b>(6,932,024)</b>	<b>608,324</b>
<b>Balance at 1 January 2019</b>		<b>14,488,706</b>	<b>(2,369,550)</b>	<b>154,918</b>	<b>275,800</b>	<b>602,019</b>	<b>(6,932,024)</b>	<b>6,219,869</b>
Net profit/(loss) for the year		-	(6,719,585)	-	-	-	-	(6,719,585)
Total other comprehensive income for the year	6	-	-	(2,219)	-	-	-	(2,219)
<b>Transactions with owners in their capacity as owners</b>								
Contribution of equity, net of transaction costs	5	125,605	-	-	-	-	-	125,605
Issue of options	6	-	-	-	616,660	-	-	616,660
Lapsed options	6	-	6,816	-	(6,816)	-	-	-
<b>Balance at 31 December 2019</b>		<b>14,614,311</b>	<b>(9,082,319)</b>	<b>152,699</b>	<b>885,644</b>	<b>602,019</b>	<b>(6,932,024)</b>	<b>240,330</b>

The accompanying notes form part of these financial statements.

## Consolidated Statement of Cash Flows

### For the Year Ended 31 December 2020

	2020	2019
Note	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers	221,951	339,675
Payments to suppliers and employees	(3,186,178)	(4,426,257)
Interest received	368	1,176
VAT and GST received/(paid)	61,420	221,027
Finance costs	(20,698)	(12,125)
Income taxes received/(paid)	(1,272)	1,260
<b>Net cash provided by/(used in) operating activities</b>	7(a) <b>(2,924,409)</b>	<b>(3,875,244)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant and equipment	-	(24,050)
<b>Net cash provided by/(used in) investing activities</b>	-	<b>(24,050)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from issue of shares	2,908,061	658,000
Proceeds from the issue of convertible notes	812,618	-
Net proceeds from/(repayment of) borrowings	614,285	(122,722)
Payment of lease liabilities	(70,905)	-
Payment of share issue costs	(195,942)	(415,197)
<b>Net cash provided by/(used in) financing activities</b>	<b>4,068,117</b>	<b>120,081</b>
Effects of exchange rate changes on cash and cash equivalents	(16,968)	11,869
Net increase/(decrease) in cash and cash equivalents held	1,126,740	(3,767,344)
Cash and cash equivalents at beginning of year	714,430	4,481,774
<b>Cash and cash equivalents at end of financial year</b>	<b>1,841,170</b>	<b>714,430</b>

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2020

#### 1 Revenue

##### Revenue from continuing operations

	2020	2019
	\$	\$
<b>Revenue from contracts with customers</b>		
<i>Licence fees:</i>		
- Platform as a service	192,784	128,474
<i>Service fees:</i>		
- Setup and support revenues	-	18,363
- Consultancy and professional services	-	160,084
<b>Total revenue</b>	<b>192,784</b>	<b>306,921</b>

#### 2 Result for the Year

The result for the year includes the following specific expenses:

##### Depreciation and amortisation expense:

- Depreciation - Plant and equipment	-	31,850
- Depreciation - Right-of-use asset	-	84,246
- Amortisation - Development costs	-	539,707
<b>Total depreciation and amortisation expense</b>	<b>-</b>	<b>655,803</b>

##### Finance costs:

- Banks and other third parties	33,481	12,125
- Lease liability	7,102	10,448
<b>Total finance costs</b>	<b>40,583</b>	<b>22,573</b>

##### Significant expenses:

Impairment loss on non-current assets	-	2,227,383
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## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2020

#### 3 Earnings per Share

##### (a) Reconciliation of earnings to profit or loss from continuing operations

	2020	2019
	\$	\$
Loss from continuing operations	(3,605,156)	(6,719,585)
Earnings used to calculate basic EPS from continuing operations	(3,605,156)	(6,719,585)
<b>Earnings used in the calculation of dilutive EPS from continuing operations</b>	<b>(3,605,156)</b>	<b>(6,719,585)</b>

##### (b) Earnings used to calculate overall earnings per share

Earnings used to calculate overall earnings per share	(3,605,156)	(6,719,585)
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##### (c) Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	2020	2019
	No.	No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	224,638,943	132,589,622
Weighted average number of dilutive options outstanding	-	-
<b>Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS</b>	<b>224,638,943</b>	<b>132,589,622</b>

##### (d) Earnings per share

	2020	2019
	Cents	Cents
<b>Earnings per share:</b>		
Basic, loss for the year attributable to ordinary equity holders of the parent	(1.60)	(5.07)
Diluted, loss for the year attributable to ordinary equity holders of the parent	(1.60)	(5.07)
<b>Earnings per share for continuing operations:</b>		
Basic, loss from continuing operations attributable to ordinary equity holders of the parent	(1.60)	(5.07)
Diluted, loss from continuing operations attributable to ordinary equity holders of the parent	(1.60)	(5.07)

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2020

#### 4 Borrowings

	Note	2020 \$	2019 \$
CURRENT			
<i>Unsecured liabilities:</i>			
Loan from Netherlands government	4(a)	227,435	-
Insurance premium funding		130,120	126,451
Lease liability		64,599	61,671
<b>Total current borrowings</b>		<b>422,154</b>	<b>188,122</b>
NON-CURRENT			
<i>Unsecured liabilities:</i>			
Loan from Netherlands government	4(a)	379,057	-
Lease liability		79,223	144,167
<b>Total non-current borrowings</b>		<b>458,280</b>	<b>144,167</b>

##### (a) Loan from Netherlands government

The terms and conditions of the loan from the Netherlands government is as follows:

- The Netherlands government will provide 75% (EUR 375,000) of the bridging credit in the form of a loan to Tymlez Holding B.V. on the basis that Tymlez Group Limited is willing to provide the remaining 25%;
- The loan will only be used to finance the capital expenditures and working capital needs of the Group;
- Interest is calculated at 3% per annum on the outstanding part of the principal, accruing on a daily basis;
- Repayment of the principal and interest commences on 1 July 2021 and thereafter, on the last day of each calendar quarter;
- Extensions for repayment may be granted at the request of the Group to a period equal to no more than 16 quarterly instalments.

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2020

#### 5 Issued Capital

	2020	2019
	\$	\$
292,036,871 (2019: 145,873,153) fully paid ordinary shares	19,058,280	16,846,988
Share issue costs	(2,400,555)	(2,232,677)
<b>Total issued capital</b>	<b>16,657,725</b>	<b>14,614,311</b>

#### (a) Ordinary shares

	2020	2019
	No.	No.
At the beginning of the reporting year	145,873,153	130,679,971
Shares issued during the year:		
- Shares issued on private placement	24,927,307	15,068,182
- Conversion of convertible note	102,693,308	-
- Conversion of debt payable to Lead Manager	-	125,000
- Shares issued to Lead Manager per with signed mandate	7,220,098	-
- Shares issued on rights issue	1,910,505	-
- Shares issued to consultant	1,000,000	-
- Shares issued to directors in lieu of remuneration	8,412,500	-
<b>At the end of the reporting period</b>	<b>292,036,871</b>	<b>145,873,153</b>

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.

#### 6 Reserves

#### (a) Foreign currency translation reserve

Exchange differences arising on translation of the foreign controlled entity are recognised in other comprehensive income - foreign currency translation reserve. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

#### (b) Option reserve

This reserve records the cumulative value of employee service received for the issue of share options. When the option is exercised the amount in the share option reserve is transferred to share capital.

#### (c) Deferred consideration shares reserve

The deferred consideration shares reserve records the equity contingent consideration that forms part of the purchase consideration of a business combination or common control transaction. This amount is not remeasured and the settlement is accounted for within equity.

## Notes to the Consolidated Financial Statements

### For the Year Ended 31 December 2020

#### 6 Reserves (continued)

##### (d) Common control reserve

The common control reserve records any difference between the cost of the transaction and the carrying value of the net assets acquired in a transaction between entities under common control.

#### 7 Cash Flow Information

##### (a) Reconciliation of result for the year to cashflows from operating activities

	2020	2019
	\$	\$
Net profit/(loss) for the year	(3,605,156)	(6,719,585)
Non-cash flows in profit/(loss):		
- depreciation and amortisation expense	-	655,803
- impairment of non-current assets	-	2,227,383
- expenses paid via issue of shares/options	302,058	27,500
- share based payment to directors and employees	382,842	62,096
- interest expense on lease liability	15,502	10,448
- GST claim on capital raising costs	17,676	64,947
- insurance expense paid via insurance premium funding	-	16,733
Changes in assets and liabilities:		
- (increase)/decrease in trade and other receivables	19,147	124,023
- (increase)/decrease in other assets	40,761	88,380
- increase/(decrease) in trade and other payables	(97,825)	(432,972)
- increase/(decrease) in employee benefits	586	-
<b>Net cash provided by/(used in) operating activities</b>	<b>(2,924,409)</b>	<b>(3,875,244)</b>