

## 1. Company details

Name of entity:	icetana Limited
ABN:	90 140 449 725
Reporting period:	For the half-year ended 31 December 2022
Previous period:	For the half-year ended 31 December 2021

## 2. Results for announcement to the market

			\$
Revenues from ordinary activities	up	11% to	874,525
Loss from ordinary activities after tax attributable to the owners of icetana Limited	down	15% to	1,441,608
Loss for the half-year attributable to the owners of icetana Limited	down	19% to	1,452,280

## 3. Statement of comprehensive income

Refer to the attached Interim Financial Report for the half year ended 31 December 2022.

## 4. Statement of financial position

Refer to the attached Interim Financial Report for the half year ended 31 December 2022.

## 5. Statement of cash flows

Refer to the attached Interim Financial Report for the half year ended 31 December 2022.

## 6. Statement of changes in equity

Refer to the attached Interim Financial Report for the half year ended 31 December 2022.

## 7. Dividend payments

Refer to the attached Interim Financial Report for the half year ended 31 December 2022. The Company does not propose to pay any dividends in the current period.

## 8. Dividend reinvestment plans

Not applicable.

## 9. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	0.53	0.83

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**10. Control gained over entities**

Not applicable

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**11. Other significant information**

Not applicable

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**12. Foreign entities**

Australian Accounting Standards are utilised when compiling the Interim Report.

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**13. Audit qualification or review**

The Interim Financial Report was subject to a review by the auditors and is not subject to dispute or qualification.

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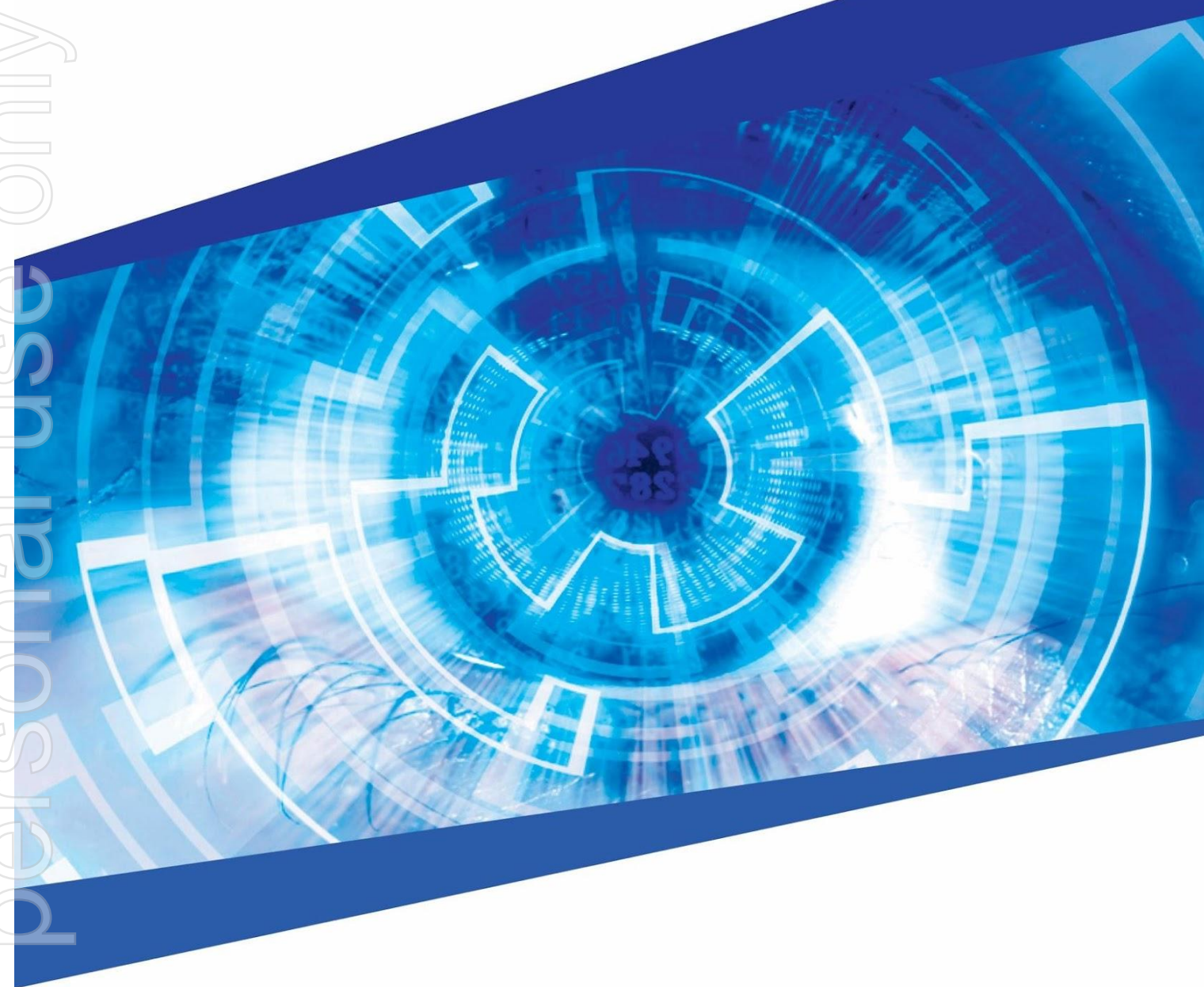
**14. Signed**

Signed

Date: 23 February 2023

Geoff Pritchard  
Non-Executive Chairman  
Perth, Western Australia

Approved for release by the Board of icetana Limited



icetana Limited

Interim Report for the half year ended 31 December 2022

## **Board of Directors**

Geoff Pritchard  
Non-Executive Chairman

Matthew Macfarlane  
Managing Director and Chief Executive Officer

Deanna Carpenter  
Non-Executive Director - resigned on 24 November 2022

Colm O'Brien  
Non-Executive Director

Clinton Snow  
Non-Executive Director

**Company Secretary**  
Rafael Kimberley-Bowen

## **Registered office and principal place of business**

Level 32  
152 St Georges Terrace  
Perth  
Western Australia 6000

## **Website**

[www.icetana.ai](http://www.icetana.ai)

## **Auditors**

Dry Kirkness (Audit) Pty Ltd  
Ground Floor  
50 Colin Street  
West Perth  
Western Australia 6005  
[www.drykirkness.com.au](http://www.drykirkness.com.au)

## **Share registry**

Automic Registry Services  
Level 5  
191 St Georges Terrace  
Perth  
Western Australia 6000  
[www.automicgroup.com.au](http://www.automicgroup.com.au)

## **Stock exchange**

ASX Limited (ASX)  
[www.asx.com.au](http://www.asx.com.au)

## **ASX code**

ASX:ICE

icetana Limited  
Contents  
31 December 2022

Directors' report	2
Auditor's independence declaration	4
Consolidated statement of profit or loss and other comprehensive income	5
Consolidated statement of financial position	6
Consolidated statement of changes in equity	7
Consolidated statement of cash flows	8
Notes to the financial statements	9-18
Directors' declaration	19
Independent auditor's review report to the members of icetana Limited	20

**icetana Limited**  
**Directors' report**  
**31 December 2022**

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of icetana Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled for the half-year ended 31 December 2022.

**Directors**

The following persons were directors of icetana Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Matthew Macfarlane  
Geoff Pritchard  
Deanna Carpenter - resigned 24 November 2022  
Colm O'Brien  
Clinton Snow

**Principal activities**

During the financial half-year the principal continuing activity of the consolidated entity consisted of the development and sale of an AI assisted video surveillance software using technology based on machine learning to provide automatic real-time anomalous event detection.

**Review of operations**

Recurring revenue of \$841,120 for the half year ended 31 December 2022 saw a significant increase on the prior period (31 December 2021: \$708,088), a year-on-year increase of 19%. At 96% of total sales revenue, it highlights the Group's success in transitioning towards its preferred recurring revenue business model.

	31 Dec 2022	31 Dec 2021	Variance	Variance
	\$	\$	\$	%
<b>Half year-on-year analysis</b>				
<b>Revenue:</b>	874,525	786,119	88,406	11%
of which recurring revenue	841,120	708,088	133,032	19%
<b>Loss for the consolidated entity</b>	(1,375,660)	(1,734,882)	359,222	21%

A continued core focus for management through 2022 was strong cash control. Net cash outflow from operating activities for the half year was \$465,457 (31 December 2021: \$581,612), a 20% improvement on the comparative period.

The loss for the consolidated entity for the half year amounted to \$1,375,660 (31 December 2021: \$1,734,882 loss), a 21% improvement on the comparative period.

The financial position of the consolidated entity remains strong with a net current asset position as at 31 December 2022 of \$1,359,426, including a current liability for unearned revenue of \$762,561 (consisting of software licensing paid in advance but not yet deployed). In accordance with AASB15 revenue is only recognised when software is deployed or services provided. The consolidated entity has nil debt.

**Dividends**

No dividends were paid or declared since the start of the financial period. No recommendation for payment of dividends has been made.

**Significant changes in the state of affairs**

In October 2022, 28,538,324 fully-paid ordinary shares were issued in a placement raising \$770,534.75 from Macnica Holdings Inc (TYO: 3132) for the consolidated entity. There were no other significant changes in the state of affairs of the consolidated entity during the financial half-year.

**Events after the reporting period**

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**Auditor's independence declaration**

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

*Geoff Pritchard*

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Geoff Pritchard  
Non-Executive Chairman

23 February 2023  
Perth, Western Australia

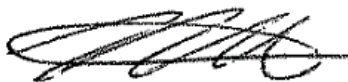
**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of icetana Limited and its controlled entities for the half year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

- a) No contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- b) No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of icetana Limited and its controlled entities during the half year ended 31 December 2022.

DRY KIRKNESS (AUDIT) PTY LTD



ROBERT HALL CA  
Director

Perth  
Date: 23 February 2023



**icetana Limited**  
**Consolidated statement of profit or loss and other comprehensive income**  
**For the half-year ended 31 December 2022**

	Note	31 Dec 2022 \$	31 Dec 2021 \$
<b>Revenue from continuing operations</b>	3	874,525	786,119
Cost of sales		(103,858)	(186,234)
<b>Gross profit</b>		<b>770,667</b>	<b>599,885</b>
Foreign exchange gains		21,038	84,813
Other income	4	39,369	1,339
Interest revenue		6,588	699
<b>Expenses</b>			
Accountancy and audit fees		(17,674)	(22,295)
Advertising and marketing		(110,278)	(56,392)
Consultancy fees		(41,512)	(273,762)
Depreciation and amortisation expense		(87,715)	(66,424)
Employee benefits expense		(1,357,986)	(1,364,243)
Other expenses	5	(310,869)	(286,084)
Share based payments expense		(287,288)	(386,630)
<b>Loss before income tax expense from continuing operations</b>		<b>(1,375,660)</b>	<b>(1,769,094)</b>
Income tax benefit		-	34,212
Loss after income tax expense from continuing operations		(1,375,660)	(1,734,882)
<b>Loss after income tax expense for the year</b>		<b>(1,375,660)</b>	<b>(1,734,882)</b>
<b>Other comprehensive income</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(37,216)	(98,579)
Other comprehensive income for the year, net of tax		(37,216)	(98,579)
<b>Total comprehensive loss for the year</b>		<b>(1,412,876)</b>	<b>(1,833,461)</b>
Net loss after income tax expense attributable to:			
Non-controlling interest		65,948	(29,818)
Owners of icetana Limited		(1,441,608)	(1,705,064)
		<b>(1,375,660)</b>	<b>(1,734,882)</b>
Total comprehensive loss attributable to:			
Non-controlling interest		39,404	(29,556)
Owners of icetana Limited		(1,452,280)	(1,803,905)
		<b>(1,412,876)</b>	<b>(1,833,461)</b>
<b>Loss per share for profit attributable to the owners of icetana Limited</b>		<b>Cents</b>	<b>Cents</b>
Basic loss per share	14	(0.79)	(1.29)
Diluted loss per share	14	(0.79)	(1.29)

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

**icetana Limited**  
**Consolidated statement of financial position**  
**As at 31 December 2022**

	Note	31 Dec 2022 \$	30 Jun 2022 \$
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	6	2,039,844	2,015,163
Trade and other receivables	7	274,479	207,407
Prepayments		86,776	107,905
Inventory		3,801	3,738
Income tax refundable		1,118	669,632
Right-of-use asset	8	2,274	76,336
<b>Total current assets</b>		<b>2,408,292</b>	<b>3,080,181</b>
<b>Non-current assets</b>			
Property, plant and equipment	9	117,398	53,009
<b>Total non-current assets</b>		<b>117,398</b>	<b>53,009</b>
<b>Total assets</b>		<b>2,525,690</b>	<b>3,133,190</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables		125,863	150,975
Unearned revenue		762,561	938,948
Employee benefits		158,168	209,152
Lease liabilities	10	2,274	76,336
<b>Total current liabilities</b>		<b>1,048,866</b>	<b>1,375,411</b>
<b>Non-current liabilities</b>			
Unearned revenue		372,094	286,013
Employee benefits		45,665	40,633
<b>Total non-current liabilities</b>		<b>417,759</b>	<b>326,646</b>
<b>Total liabilities</b>		<b>1,466,625</b>	<b>1,702,057</b>
<b>Net assets</b>		<b>1,059,065</b>	<b>1,431,133</b>
<b>Equity</b>			
Issued capital	11	21,836,502	21,082,982
Reserves	12	1,534,524	1,865,563
Non-controlling interest		(162,520)	(201,924)
Retained losses		(22,149,441)	(21,315,488)
<b>Total equity</b>		<b>1,059,065</b>	<b>1,431,133</b>

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

**icetana Limited**  
**Consolidated statement of changes in equity**  
**For the half-year ended 31 December 2022**

	Issued capital \$	Foreign currency translation reserve \$	Share based payments reserve \$	Accumulated losses \$	Non-control ling interest \$	Total equity \$
<b>Balance at 1 July 2021</b>	<b>18,573,586</b>	<b>33,883</b>	<b>1,279,128</b>	<b>(18,275,889)</b>	<b>(240,656)</b>	<b>1,370,052</b>
Profit after income tax expense for the year	-	-	-	(1,705,064)	(29,818)	(1,734,882)
Other comprehensive income for the year, net of tax	-	(98,841)	-	-	262	(98,579)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(98,841)</b>	<b>-</b>	<b>(1,705,064)</b>	<b>(29,556)</b>	<b>(1,833,461)</b>
<i>Transactions with owners in their capacity as owners:</i>						
Shares issued	2,700,000	-	-	-	-	2,700,000
Share issue costs	(190,604)	-	-	-	-	(190,604)
Share-based payments	-	-	386,630	-	-	386,630
<b>Balance at 31 December 2021</b>	<b>21,082,982</b>	<b>(64,958)</b>	<b>1,665,758</b>	<b>(19,980,953)</b>	<b>(270,212)</b>	<b>2,432,617</b>
	Issued capital \$	Foreign currency translation reserve \$	Share based payments reserve \$	Accumulated losses \$	Non-control ling interest \$	Total equity \$
<b>Balance at 1 July 2022</b>	<b>21,082,982</b>	<b>(165,991)</b>	<b>2,031,554</b>	<b>(21,315,488)</b>	<b>(201,924)</b>	<b>1,431,133</b>
Profit after income tax expense for the year	-	-	-	(1,441,608)	65,948	(1,375,660)
Other comprehensive income for the year, net of tax	-	(10,672)	-	-	(26,544)	(37,216)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(10,672)</b>	<b>-</b>	<b>(1,441,608)</b>	<b>39,404</b>	<b>(1,412,876)</b>
<i>Transactions with owners in their capacity as owners:</i>						
Shares issued	770,535	-	-	-	-	770,535
Share issue costs	(17,015)	-	-	-	-	(17,015)
Share-based adjustment	-	-	(607,655)	607,655	-	-
Share-based payments	-	-	287,288	-	-	287,288
<b>Balance at 31 December 2022</b>	<b>21,836,502</b>	<b>(176,663)</b>	<b>1,711,187</b>	<b>(22,149,441)</b>	<b>(162,520)</b>	<b>1,059,065</b>

*The above statement of changes in equity should be read in conjunction with the accompanying notes*

**icetana Limited**  
**Consolidated statement of cash flows**  
**For the half-year ended 31 December 2022**

	Note	31 Dec 2022 \$	31 Dec 2021 \$
<b>Cash flows from operating activities</b>			
Receipts from customers		755,398	916,348
Payments to suppliers and employees		(1,897,075)	(2,032,871)
		<u>(1,141,677)</u>	<u>(1,116,523)</u>
Interest received		6,588	699
R&D tax rebate		669,632	534,212
		<u>676,220</u>	<u>534,911</u>
<b>Net cash used in operating activities</b>		<b>(465,457)</b>	<b>(581,612)</b>
<b>Cash flows from investing activities</b>			
Payments for property, plant and equipment		(78,929)	(16,094)
Proceeds on disposal of property, plant and equipment		-	-
		<u>-</u>	<u>-</u>
<b>Net cash used in investing activities</b>		<b>(78,929)</b>	<b>(16,094)</b>
<b>Cash flows from financing activities</b>			
Proceeds from share issue		770,535	2,700,000
Share issue costs		(17,015)	(190,604)
Reduction in finance lease principal		(147,237)	(92,357)
		<u>606,283</u>	<u>2,417,039</u>
<b>Net cash generated from / (used in) financing activities</b>		<b>606,283</b>	<b>2,417,039</b>
Net increase/(decrease) in cash and cash equivalents		61,897	1,819,333
Cash and cash equivalents at the beginning of the half year		2,015,163	1,738,847
Effects of exchange rate changes on cash and cash equivalents		(37,216)	(98,579)
		<u>2,039,844</u>	<u>3,459,601</u>
<b>Cash and cash equivalents at the end of the half year</b>	6	<b>2,039,844</b>	<b>3,459,601</b>

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

## Note 1. Significant accounting policies

### Statement of compliance

The half-year financial report is a general purpose financial report for the half-year reporting period ended 31 December 2022 and has been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

The half-year report does not include all the notes of the type normally included in an annual financial report. Accordingly, the financial report is to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The half-year financial report was authorised for issue by the directors on 23 February 2023.

### Basis of preparation

The half-year financial report has been prepared on a historical costs basis. Cost is based on the fair value of the consideration given in exchange for assets. The Company is domiciled in Australia and all amounts are presented in Australian dollars, unless otherwise noted.

For the purpose of preparing the interim report, the half-year has been treated as a discrete reporting period.

### Accounting policies and methods of computation

The accounting policies adopted and methods of computation are consistent with those of the previous financial year and corresponding half-year reporting period except where stated. These accounting policies are consistent with Australian Accounting Standards and International Financial Reporting Standards.

### New or amended Accounting Standards and Interpretations adopted

The consolidated entity 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.

## Note 2. Operating segments

### Identification of reportable operating segments

The Board assesses the Consolidated Entity's performance based on geographical areas of operation. Accordingly, the Consolidated Entity has identified 3 reportable segments, which are presented below:

Segment	Information
Asia Pacific (APAC)	Responsible for all sales, marketing and product development efforts in Australia and the broader Asia Pacific region
North America (NA)	Responsible for all sales and marketing efforts in the United States and Canada
Europe, Middle East & Africa (EMEA)	Responsible for all sales and marketing efforts in Europe, the Middle East and Africa

**icetana Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2022**

**Note 2. Operating segments (continued)**

Cost of revenue (included in EBITDA) are all the costs directly attributable to the ongoing delivery of the product. Sales and marketing costs include direct in-country costs. A portion of general and administration costs, representing general operating and product development expenses, remain unallocated in determining the segment contribution presented by the Board.

The assets and liabilities of the Consolidated Entity are reported and reviewed by the Board in total and are not allocated by operating segment. Operating segment assets and liabilities are therefore not disclosed.

*Operating segment information*

	Note	APAC \$	NA \$	EMEA \$	Total \$
<b>Consolidated - 31 December 2022</b>					
<b>Revenue</b>					
Sales to external customers	3	421,041	158,036	295,448	874,525
Intersegment sales		-	-	-	-
Total sales revenue		421,041	158,036	295,448	874,525
Intersegmental eliminations		-	-	-	-
Interest revenue		6,588	-	-	6,588
Other income	4	39,369	-	-	39,369
Total segment revenue		466,998	158,036	295,448	920,482
<b>EBITDA</b>		(1,564,800)	134,680	135,588	(1,294,533)
Depreciation and amortisation		(78,078)	-	(9,638)	(87,715)
Interest revenue		6,588	-	-	6,588
Finance costs		-	-	-	-
Profit before income tax expense		(1,636,289)	134,680	125,950	(1,375,660)
Income tax expense		-	-	-	-
<b>Profit after income tax expense</b>		<b>(1,636,290)</b>	<b>134,680</b>	<b>125,950</b>	<b>(1,375,660)</b>

**icetana Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2022**

**Note 2. Operating segments (continued)**

	Note	APAC \$	NA \$	EMEA \$	Total \$
<b>Consolidated - 31 December 2021</b>					
<b>Revenue</b>					
Sales to external customers	3	384,630	91,898	309,591	786,119
Intersegment sales		-	-	-	-
Total sales revenue		384,630	91,898	309,591	786,119
Intersegmental eliminations		-	-	-	-
Interest revenue		699	-	-	699
Other income	4	-	-	1,339	1,339
Total segment revenue		385,329	91,898	310,930	788,157
<b>EBITDA</b>		(1,840,891)	68,640	68,883	(1,703,369)
Depreciation and amortisation		(56,292)	-	(10,132)	(66,424)
Interest revenue		699	-	-	699
Finance costs		-	-	-	-
Profit before income tax expense		(1,896,484)	68,640	58,751	(1,769,094)
Income tax expense		34,212	-	-	34,212
<b>Profit after income tax expense</b>		<b>(1,862,272)</b>	<b>68,640</b>	<b>58,751</b>	<b>(1,734,882)</b>

**icetana Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2022**

**Note 3. Revenue**

*Disaggregation of revenue*

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

	Six months to 31 Dec 2022 \$	Six months to 31 Dec 2021 \$
<b>Consolidated</b>		
<i>Types of revenue and other income</i>		
Recurring revenue	841,120	708,088
Enterprise revenue	33,405	78,031
<b>Total sales revenue</b>	<b>874,525</b>	<b>786,119</b>
<i>Geographic regions</i>		
APAC	421,041	384,630
AME	158,036	91,898
EMEA	295,448	309,591
<b>Total sales revenue</b>	<b>874,525</b>	<b>786,119</b>
<i>Revenue by industry</i>		
Education	91,917	113,847
Retail	532,817	514,902
Commercial and other	249,791	157,370
<b>Total sales revenue</b>	<b>874,525</b>	<b>786,119</b>
<b>Note 4. Other income</b>		
Other income	2,769	-
Grant income	36,600	-
Insurance recoveries	-	1,339
	<b>39,369</b>	<b>1,339</b>
<b>Note 5. Other expenses</b>		
Insurance	62,306	60,007
Legal fees	5,239	3,734
Travel	44,273	901
Other	199,051	221,441
	<b>310,869</b>	<b>286,084</b>



icetana Limited  
Notes to the financial statements  
For the half-year ended 31 December 2022

**Note 6. Current assets - cash and cash equivalents**

	31 Dec 2022 \$	30 Jun 2022 \$
<b>Cash and cash equivalents</b>		
Cash at bank	2,014,844	990,163
Cash on deposit	25,000	1,025,000
<b>Total cash and cash equivalents</b>	<b>2,039,844</b>	<b>2,015,163</b>

**Note 7. Current assets – trade and other receivables**

Trade debtors	243,115	170,322
Sundry debtors	31,364	37,085
<b>Total trade and other receivables</b>	<b>274,479</b>	<b>207,407</b>

**Note 8. Right-of-use assets**

Cost	136,838	127,732
Accumulated depreciation	(134,564)	(51,396)
<b>Carrying value</b>	<b>2,274</b>	<b>76,336</b>

**Note 9. Non-current assets - property, plant and equipment**

Production assets - at cost	37,520	-
Less: Accumulated depreciation	(2,056)	-
	<b>35,464</b>	-
Computers & office equipment - at cost	286,329	244,750
Less: Accumulated depreciation	(204,395)	(191,741)
	<b>81,934</b>	<b>53,009</b>
Low value pool - at cost	408	401
Less: Accumulated depreciation	(408)	(401)
	-	-
<b>Total property, plant &amp; equipment</b>	<b>117,398</b>	<b>53,009</b>

**icetana Limited**  
**Notes to the financial statements**  
**For the half year ended 31 December 2022**

**Note 9. Non-current assets - property, plant and equipment (continued)**

*Reconciliations*

Reconciliations of the written down value at the beginning and end of the current financial half-year are set out below:

<b>Consolidated</b>	<b>Production assets</b>	<b>Computer &amp; office equipment</b>	<b>Low value pool</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2022	-	53,009	-	53,009
Additions	37,520	41,409	-	78,929
Disposals	-	-	-	-
Depreciation expense	(2,056)	(12,484)	-	(14,540)
<b>Balance at 31 December 2022</b>	<b>35,464</b>	<b>81,934</b>	<b>-</b>	<b>117,398</b>

	<b>31 Dec 2022</b>	<b>30 Jun 2022</b>
	<b>\$</b>	<b>\$</b>
Current liabilities	2,274	76,336
Non-current liabilities	-	-
<b>Total lease liabilities</b>	<b>2,274</b>	<b>76,336</b>

The Consolidated Entity only leases its operating premises. As at 31 December 2022, the lease for the Australian office ended. A new premises has been leased from 1 January 2022, which is a 12 month lease and not represented above.

**Note 11. Equity - Issued Capital**

	<b>31 Dec 2022</b>	<b>30 Jun 2022</b>	<b>31 Dec 2022</b>	<b>30 Jun 2022</b>
	<b>Shares</b>	<b>Shares</b>	<b>\$</b>	<b>\$</b>
Ordinary shares – fully paid	199,328,417	170,790,093	23,357,315	22,586,781
Share issue costs			(1,520,813)	(1,503,799)
<b>Total</b>			<b>21,836,502</b>	<b>21,082,982</b>

*Movements in ordinary share capital*

<b>Details</b>	<b>Date</b>	<b>Shares</b>	<b>Issue price</b>	<b>\$ Value</b>
Opening Balance	30 June 2022	170,790,093		21,082,982
Capital placement	10 October 2022	28,538,324	\$0.027	770,534
Share issue costs				(17,014)
<b>Closing balance</b>	<b>31 December 2022</b>	<b>199,328,417</b>		<b>21,836,502</b>

## Note 11. Equity - Issued Capital (continued)

On 10 October 2022, 28,538,324 fully-paid ordinary shares were issued in a placement to Macnica Holdings Inc (TYO: 3132).

## Note 12. Reserves

As at 31 December the Consolidated Entity had the following reserve accounts:

			31 Dec 2022 \$	30 Jun 2022 \$
(a) Foreign currency translation			(176,662)	(165,991)
(b) Performance rights			-	-
(c) Options			1,711,187	2,031,554
Total			<u>1,534,525</u>	<u>1,865,563</u>
(a) Foreign currency translation				
Opening balance			(165,991)	33,883
Movement			(10,671)	(199,874)
Closing balance			<u>(176,662)</u>	<u>(165,991)</u>
(b) Performance rights				
Details	31 Dec 2022 Number	30 Jun 2022 Number	31 Dec 2022 \$	30 Jun 2022 \$
Opening Balance	900,000	1,350,000	-	-
Issued during the reporting period	-	-	-	-
Expired during the reporting period	(450,000)	(450,000)	-	-
Closing balance	<u>450,000</u>	<u>900,000</u>	<u>-</u>	<u>-</u>
(c) Options				
Details			Number	\$
Opening balance			98,617,405	2,031,554
Issue of new ESIP options during the period			14,000,000	-
Issue of new placement options during the period			-	-
Options expired, or forfeited pursuant to leaver provisions			(21,426,697)	(607,655)
Expense recognised as ESIP options vest			-	287,288
Closing balance			<u>91,190,708</u>	<u>1,711,187</u>

## Note 12. Reserves (continued)

The Company expenses any valuation of the share options as they accrue over time. As at 31 December 2022, the Company has recognised a cumulative employee (and lead manager) share-based payment expense of \$1,711,187 in relation to these options.

Over the period the Company granted a total of 14,000,000 ESIP options to employees, consultants and directors of the Consolidated Entity:

- following shareholder approval at the 2022 Annual General Meeting, 13,300,000 options (series 4 and series 4b) were granted to directors on 30 November 2022;
- on 16 November 2022, 700,000 options (series 4a) were granted to employees.

Generally these options vest evenly on a quarterly basis until three years after their respective issue date. Of the options issued on 30 November 2022, 10,000,000 options issued to Matthew Macfarlane are subject to a mix of time-based vesting conditions and performance hurdles as documented in the relevant ASX announcement dated 15 November 2022. In summary, 30% of the options will vest once revenue in any financial half year exceeds \$1,500,000, another 30% will vest when it exceeds \$2,250,000, and the final 40% will vest on a quarterly basis over the three years following their issue date.

During the period 20,626,436 options expired and 800,261 options were forfeited under the leaver provisions of the ESIP.

In addition to the options, the Company has in issue 450,000 performance rights, with vesting conditions as follows:

Number	Vesting Conditions	Expiry Date
450,000	\$12m revenue in the 12-month audited period ending 31 December 2024	23 December 2024

The fair value of the equity settled options/performance rights as at the date of grant using the Black-Scholes model taking into account the terms and conditions upon which the options were granted:

	Number	Grant Date	Expiry Date	Exercise Price	Fair value at grant date	Vesting date	Value Accrued \$
ESIP series 4b	3,300,000	30 Nov 22	29 Nov 26	\$0.15	\$0.02	As above	1,570
ESIP series 4a	700,000	16 Nov 22	15 Nov 26	\$0.15	\$0.02	As above	483
ESIP series 4	28,708,333	27 Apr 22	26 Apr 26	\$0.15	\$0.02	As above	66,622
ESIP series 3	2,601,102	2 Jun 21	2 Jun 25	\$0.25	\$0.05	As above	53,729
ESIP series 2a	12,349,606	1 May 20	31 Mar 24	\$0.25	\$0.09	As above	791,442
ESIP series 2b	225,000	16 Oct 20	31 Mar 24	\$0.25	\$0.08	As above	11,494
ESIP series 2c	133,333	18 Mar 21	31 Mar 24	\$0.25	\$0.07	As above	6,627
ESIP series 1	6,298,334	20 Dec 19	30 Nov 23	\$0.30	\$0.13	As above	689,220
Performance rights	450,000	18 Dec 19	23 Dec 24	Nil	\$0.20	As above	-
Lead manager options	5,000,000	1 Mar 22	1 Mar 24	\$0.15	\$0.02	1 Mar 22	90,000
							<b>1,711,187</b>

**Note 12. Reserves (continued)**

	Lead manager options	ESIP options series 1	ESIP options series 2a	ESIP options series 2b	ESIP options series 2c	ESIP options series 3	ESIP options series 4	ESIP options series 4a	ESIP options series 4b	Performa nce rights
Dividend yields	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Expected volatility	100%	100%	100%	120%	120%	100%	95%	100%	100%	100%
Risk-free interest rate	0.25%	2.04%	0.41%	0.25%	0.25%	0.25%	1.81%	3.25%	3.25%	2.04%
Expected life	2 years	4 years	3.92 years	3.46 years	3.04 years	4 years	4 years	4 years	4 years	5 years
Exercise price	\$0.15	\$0.30	\$0.25	\$0.25	\$0.25	\$0.25	\$0.15	\$0.15	\$0.15	Nil
Grant date share price	\$0.058	\$0.20	\$0.155	\$0.13	\$0.12	\$0.095	\$0.043	\$0.047	\$0.035	\$0.20

**Note 13. Contingent liabilities and contingent assets**

The Consolidated Entity has no contingent assets or liabilities as at the reporting date.

**icetana Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2022**

**Note 14. Earnings per share**

	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
	<b>\$</b>	<b>\$</b>
<i>Total comprehensive loss for the half year:</i>		
Loss after income tax	(1,412,876)	(1,833,461)
Less: Non-controlling interest	<u>(39,403)</u>	<u>29,556</u>
Loss after income tax attributable to the owners of icetana Limited	<u>(1,452,279)</u>	<u>(1,803,905)</u>
	<b>Cents</b>	<b>Cents</b>
Basic earnings per share	(0.79)	(1.29)
Diluted earnings per share	(0.79)	(1.29)
	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>
	<b>Number</b>	<b>Number</b>
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic loss per share	183,663,358	140,158,299
Adjustments for calculation of diluted loss per share:		
Options over ordinary shares	<u>Nil</u>	<u>Nil</u>
Weighted average number of ordinary shares used in calculating diluted loss per share	<u>183,663,358</u>	<u>140,158,299</u>

**Note 15. Events after the reporting period**

No matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

**icetana Limited**  
**Directors' declaration**  
**31 December 2022**

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Regulations 2001;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

*Geoff Pritchard*

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Geoff Pritchard  
Non-Executive Chairman

23 February 2023  
Perth, Western Australia

**INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF ICETANA LIMITED**

**Report on the half year financial report**

**Conclusion**

We have reviewed the accompanying half year financial report of icetana Limited ("the Company") and its controlled entities ("the Consolidated Entity"), which comprises the consolidated statement of financial position as at 31 December 2022 and the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half year financial report of icetana Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the Company's financial position as at 31 December 2022 and of its financial performance for the half year ended on that date; and
- b) complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

**Directors' responsibility for the half year 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 the Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation and fair presentation of the half year financial report that is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagement ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, anything has come to our attention that causes us to 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 Consolidated Entity's consolidated financial position as at 31 December 2022 and its consolidated financial performance for the half year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

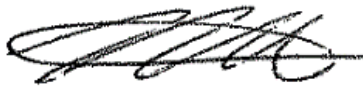


A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards 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.

### **Independence**

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

DRY KIRKNESS (AUDIT) PTY LTD

A handwritten signature in black ink, appearing to read 'Robert Hall', with a stylized flourish at the end.

ROBERT HALL CA  
Director

Perth

Date: 23 February 2023