

**APPENDIX 4E
PRELIMINARY FINAL REPORT****1. Company details**

Name of entity:	I Synergy Group Limited
ABN:	51 613 927 361
Reporting period:	For the year ended 31 December 2022
Previous period:	For the year ended 31 December 2021

2. Results for announcement to the market

				AUD\$'000
Revenue from ordinary activities	down	19.72%	to	1,535
Loss from ordinary activities after tax attributable to the owners of I Synergy Group Limited	up	637.08%	to	(7,732)
Loss for the year attributable to the owners of I Synergy Group Limited	down	577.08%	to	(7,888)

Dividend

No dividend was recommended by the directors for the financial year.

During the financial year, the Group experienced 19.72% in revenue from \$1.91 million to \$1.54 million causing the Group experiencing a loss of AUD\$ 7.73 million during the financial year.

The decline is due to post-pandemic recovery and the development of the digital platform WYDE which will officially be launched in Q2 2023.

WYDE platform is positioned as a socially responsible marketplace aggregator platform that serves gig workers, shoppers, and merchants by providing job opportunities, promoting digital adoption, and offering rewards and benefits. WYDE enables frictionless digital eCommerce packages for offline and online businesses, as well as allowing gig workers to earn income through promoting offers, shoppers to earn rewards in the form of WYDE points for their purchases, and merchants to drive sales and grow their business through digital solutions and influencer marketing efforts.

This year WYDE has received an overwhelmingly positive response from stakeholders and the industry. Given WYDE platform's value proposition and scalability, management is confident that it will positively impact the company's future outlook

3. Net tangible liabilities

	Reporting period Cents	Previous period Cents
Net tangible liabilities per ordinary share	(0.40)	(1.39)

4. Control gained over entities

During the period ended 31 December 2022, the Group incorporated or gained control of the following entities:



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PRELIMINARY FINAL REPORT**

Company	Country of Incorporation	Acquisition or Incorporation Date
Postech International Pty Ltd	Australia	16 March 2022
Kuliner Pty Ltd	Australia	16 March 2022
Cloutopia Pty Ltd	Australia	16 March 2022
Uniclub Pty Ltd	Australia	16 March 2022
Distributed Ledger Technology Pty Ltd	Australia	23 February 2022

5. Loss control over entities

Not applicable.

6. Details of associates and joint venture entities

Not applicable.

7. Foreign entities to disclose which accounting standards are used in compiling the report

The financial statements of the Group have been prepared in accordance with Australian Accounting Standards issued by Australian Accounting Standards Board, which is also comply with International Financial Reporting Standards.

8. Audit status

The accounts are in the process of being audited.

9. If the accounts have not yet been audited and are likely to contain an independent audit report that is to a modified opinion, emphasis of matter or other matter paragraph, a description of the likely modified opinion, emphasis of matter or other matter paragraph

The Company does not expect any audit modification will arise, however, the audit opinion will likely contain an Emphasis of Matter relating to material uncertainty related to going concern, as a consequence of the result of the financial year.

10. Attachments

The financial statements and notes forming part of the Preliminary Final Report of I Synergy Group Limited for the year ended 31 December 2022 is attached.

11. Signed

Signed _____

Date: 28 February 2023

Dato' Teo Chee Hong
Director

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I Synergy Group Limited

ACN 613 927 361

Preliminary Financial Statements

For the Year Ended 31 December 2022

I Synergy Group

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Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Year Ended 31 December 2022

	2022	2021
	000's	000's
Note	\$	\$
Revenue	2 1,535	1,912
Cost of sales	(193)	(638)
Gross profit	<u>1,342</u>	1,274
Other income	133	621
Selling and distribution costs	(127)	(186)
Administrative expenses	(9,048)	(2,045)
Finance cost	(14)	(7)
Loss before income tax	3 (7,714)	(343)
Income tax expense	4 (18)	(919)
Loss from continuing operations	<u>(7,732)</u>	(1,262)
Loss for the year	<u>(7,732)</u>	(1,262)
Other comprehensive income, net of income tax		
Items that will be reclassified to profit or loss		
Foreign currency translation difference	(156)	(118)
Other comprehensive income for the year	<u>(156)</u>	(118)
Total comprehensive income for the year	<u>(7,888)</u>	(1,380)
Loss attributable to:		
Members of the parent entity	(7,732)	(1,049)
Non-controlling interest	-	(213)
	<u>(7,732)</u>	(1,262)
Total comprehensive income attributable to:		
Members of the parent entity	(7,888)	(1,165)
Non-controlling interest	-	(215)
	<u>(7,888)</u>	(1,380)
	Cents	Cents
Basic loss per share	(3.04)	(0.57)
Diluted loss per share	(3.04)	(0.57)

The accompanying notes form part of these financial statements.

I Synergy Group

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Consolidated Statement of Financial Position

As At 31 December 2022

		2022	2021
		000's	000's
	Note	\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	6	322	907
Inventories	7	-	-
Trade receivables	8	91	74
Other assets	9	829	252
Current tax receivable	11	289	222
TOTAL CURRENT ASSETS		1,531	1,455
NON-CURRENT ASSETS			
Property, plant and equipment	10	248	587
Deferred tax assets	11	-	-
Right-of-use assets	12	294	221
Goodwill on consolidation	13	-	-
Development cost	14	1,109	267
TOTAL NON-CURRENT ASSETS		1,651	1,075
TOTAL ASSETS		3,182	2,530
LIABILITIES			
CURRENT LIABILITIES			
Trade payables	15	44	38
Other liabilities	16	800	737
Lease liabilities	12	296	82
Deferred revenue	17	61	1,117
TOTAL CURRENT LIABILITIES		1,201	1,974
NON-CURRENT LIABILITIES			
Deferred tax liabilities	11	-	-
Lease liabilities	12	120	121
Deferred revenue	17	3,016	2,974
TOTAL NON-CURRENT LIABILITIES		3,136	3,095
TOTAL LIABILITIES		4,337	5,069
NET ASSETS		(1,155)	(2,539)

The accompanying notes form part of these financial statements.

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Consolidated Statement of Financial Position

As At 31 December 2022

		2022	2021
		000's	000's
	Note	\$	\$
EQUITY			
Issued capital	18	8,328	2,442
Merger deficit	19(a)	(1,042)	(1,042)
Foreign currency translation reserve	19(b)	9	165
Option reserve	19(c)	3,527	142
Retained Earnings		(12,016)	(4,284)
Total equity attributable to equity holders of the Company		(1,194)	(2,577)
Non-controlling interest		39	38
TOTAL EQUITY		(1,155)	(2,539)

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 31 December 2022

2022

	Ordinary Shares 000's \$	Retained Earnings 000's \$	Foreign Currency Translation Reserve 000's \$	Merger deficit 000's \$	Option Reserve 000's \$	Non- controlling Interests 000's \$	Total 000's \$
Balance at 1 January 2022	2,442	(4,284)	165	(1,042)	142	38	(2,539)
Loss attributable to members of the parent entity	-	(7,732)	-	-	-	-	(7,732)
Total other comprehensive income for the year	-	-	(156)	-	-	-	(156)
Foreign exchange translation reserve attributable to non controlling interests	-	-	-	-	-	1	1
Transactions with owners in their capacity as owners							
Shares issued during the year	5,886	-	-	-	-	-	5,886
Option to employees	-	-	-	-	3,385	-	3,385
Balance at 31 December 2022	8,328	(12,016)	9	(1,042)	3,527	39	(1,155)

The accompanying notes form part of these financial statements.

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Statement of Changes in Equity

For the Year Ended 31 December 2022

2021

	Ordinary Shares 000's \$	Retained Earnings 000's \$	Foreign Currency Translation Reserve 000's \$	Merger deficit 000's \$	Option Reserve 000's \$	Non- controlling Interests 000's \$	Total 000's \$
Balance at 1 January 2021	2,442	(3,235)	281	(1,042)	137	1,499	82
Loss attributable to members of the parent entity	-	(1,049)	-	-	-	-	(1,049)
Loss attributable to non-controlling interests	-	-	-	-	-	(213)	(213)
Total other comprehensive income for the year	-	-	(118)	-	-	-	(118)
Foreign exchange translation reserve attributable to non controlling interests	-	-	2	-	-	(2)	-
Transactions with owners in their capacity as owners							
Options to employees	-	-	-	-	5	-	5
Dividends paid or provided for	-	-	-	-	-	(1,246)	(1,246)
Balance at 31 December 2021	2,442	(4,284)	165	(1,042)	142	38	(2,539)

The accompanying notes form part of these financial statements.

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Statement of Cash Flows For the Year Ended 31 December 2022

	2022	2021
	000's	000's
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	591	2,048
Payments to suppliers and employees	(506)	(4,207)
Interest paid	(14)	(7)
Income taxes paid	(170)	(70)
Net cash provided by/(used in) operating activities	<u>(99)</u>	<u>(2,236)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	93	(35)
Interest received	2	23
Purchase of property, plant and equipment	(281)	(63)
Payments for development costs	(1,003)	(249)
Net cashflow from purchase of subsidiaries	61	-
Net cash provided by/(used in) investing activities	<u>(1,128)</u>	<u>(324)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares	868	-
Repayment of lease liabilities	(71)	(86)
Dividends paid by a subsidiary to non-controlling interests	-	(1,246)
Net cash provided by/(used in) financing activities	<u>797</u>	<u>(1,332)</u>
Effects of foreign exchange translation	<u>(155)</u>	<u>(152)</u>
Net increase/(decrease) in cash and cash equivalents held	<u>(585)</u>	<u>(4,044)</u>
Cash and cash equivalents at beginning of year	<u>907</u>	<u>4,951</u>
Cash and cash equivalents at end of financial year	6 <u>322</u>	<u>907</u>

The accompanying notes form part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2022

1 Basis of Preparation

The preliminary financial report ("the Report") are prepared in compliance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board ("AASB"). The Report also comply with International Financial Reporting Standards.

It is recommended that the Report to be read in conjunction with the half year financial statements of I Synergy Group Limited and its control entities ("Group") as at 31 December 2022 together with any public announcements made by I Synergy Group Limited during the financial year ended 31 December 2022, in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

The principal accounting policies adopted in this Report are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the AASB and are mandatory for the current reporting period. The adoption of the new or amended Accounting Standards and Interpretations (including the consequential amendments, if any) did not have any material impact on the Group's financial statements.

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

2 Revenue and Other Income

Revenue from continuing operations

	2022 000's \$	2021 000's \$
- Software activation	266	369
- Merchandise sales	-	13
- Training	3	49
- Affiliate program fees	2	104
- Seminar and events	18	2
- VTRAK	66	37
- Website and software development fees	105	251
- License right to access	1,075	1,087
Total Revenue	1,535	1,912

3 Result for the Year

The result for the year includes the following specific expenses:

	2022 000's \$	2021 000's \$
Amortisation of development cost	223	107
Impairment of goodwill	6,131	238
reversal of impairment loss of trade receivables	-	(74)
Audit fees	44	38

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Notes to the Financial Statements For the Year Ended 31 December 2022

3 Result for the Year

	2022 000's \$	2021 000's \$
Bad debts written off	-	10
Depreciation of equipment	17	90
Depreciation of right of use	52	55
Directors remuneration and benefits	470	210
Equipment written off	-	34
Interest on lease liabilities	13	7
Profit/(loss) on disposal of equipment	-	(35)
Rental of equipment	2	5
Rental of premises	20	31
Staff salaries and benefits	767	718
Interest income on financial assets FVTPL	(2)	(23)

Impairment losses have been recognised in the [insert relevant lines(s)] in the statement of profit or loss and other comprehensive income.

4 Income Tax Expense

	2022 000's \$	2021 000's \$
Current tax	18	14
Deferred tax	-	905
Total income tax expense	18	919

A reconciliation of the income tax expense applicable to the loss before taxation at the statutory tax rate to the income tax expense at the effective tax rate of the Group is as follows:

	2022 000's \$	2021 000's \$
Loss	(7,714)	(343)
	(1,929)	(82)
Tax effect of:		
- Tax incentive for pioneer products	-	(86)
- Non-deductible expenses	-	591
- Deferred tax assets not recognised	-	(423)
- Under provision of prior year income tax	18	(2)
- Under provision of prior year deferred tax	-	921
Tax benefit on tax losses not recognised	1,929	-
Income tax expense	18	919

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Notes to the Financial Statements For the Year Ended 31 December 2022

5 Earnings per Share

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

	2022 000's \$	2021 000's \$
Loss after taxation	(7,732)	(1,262)
Profit attributable to non-controlling equity interest in respect of continuing operations	-	213
Loss after tax attributable to the owners of the parent	<u>(7,732)</u>	<u>(1,049)</u>

(b) Basic loss per share

Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS

	2022 No.	2021 No.
Weighted average number of ordinary shares outstanding during the year used in calculating basic EPS	<u>254,088,031</u>	<u>183,268,088</u>
Basic loss per share	<u>(3.04)</u>	<u>(0.57)</u>

(c) Diluted loss per share

	2022 000's No.	2021 000's No.
Weighted average number of ordinary shares used in calculating diluted loss per share	<u>254,088,031</u>	<u>183,268,088</u>
Diluted loss per share	<u>(3.04)</u>	<u>(0.57)</u>

6 Cash and Cash Equivalents

	2022 000's \$	2021 000's \$
Cash at bank and in hand	<u>322</u>	<u>907</u>
	<u>322</u>	<u>907</u>

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Notes to the Financial Statements For the Year Ended 31 December 2022

7 Inventories

	2022 000's \$	2021 000's \$
Recognised in profit or loss:		
Inventories recognised as cost of sales	-	8

8 Trade Receivables

	2022 000's \$	2021 000's \$
Trade receivables	423	444
Provision for impairment	(391)	(370)
Net trade receivable	32	74
GST receivable	59	-
Total trade receivables	91	74

Allowances for expected credit losses:

	2022 000's \$	2021 000's \$
Balance at beginning of the year	370	450
Additions/(reversal) during the year	21	(74)
Foreign exchange translation difference	-	(6)
Balance at end of the year	391	370

The Group's normal trade credit terms range from 30 to 60 (2021:30 to 60) days.

9 Other assets

	2022 000's \$	2021 000's \$
Other receivables	580	217
Deposits	103	16
Prepayments	146	19
Total other assets	829	252

Notes to the Financial Statements

For the Year Ended 31 December 2022

10 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	Furniture and Fixtures	Motor Vehicles	Office Equipment	Computer Equipment	Renovations	Signboard	Total
	000's	000's	000's	000's	000's	000's	000's
	\$	\$	\$	\$	\$	\$	\$
Year ended 31 December 2022							
Balance at the beginning of year	44	296	47	668	106	1	1,162
Additions	-	-	25	-	-	-	25
Disposals	(21)	-	-	(453)	-	-	(474)
Accumulated depreciation disposal	(29)	(134)	(25)	(359)	(27)	(1)	(575)
Depreciation expense	18	-	-	181	-	-	199
	(2)	(55)	(11)	(9)	(12)	-	(89)
Balance at the end of the year	10	107	36	28	67	-	248

Notes to the Financial Statements

For the Year Ended 31 December 2022

10 Property, plant and equipment

(a) Movements in carrying amounts of property, plant and equipment

	Furniture and Fixtures	Motor Vehicles	Office Equipment	Computer Equipment	Renovations	Signboard	Total
	000's	000's	000's	000's	000's	000's	000's
	\$	\$	\$	\$	\$	\$	\$
Year ended 31 December 2021							
Balance at the beginning of year	44	291	78	632	135	1	1,181
Additions	3	-	1	50	9	-	63
Disposals	-	-	(2)	(6)	-	-	(8)
Written off	-	-	-	-	(34)	-	(34)
Accumulated depreciation	(29)	(134)	(25)	(359)	(27)	(1)	(575)
Foreign exchange movements	(3)	5	(30)	(8)	(4)	-	(40)
Balance at the end of the year	15	162	22	309	79	-	587

Notes to the Financial Statements
For the Year Ended 31 December 2022

10 Property, plant and equipment
(b) Property Plant and Equipment

PLANT AND EQUIPMENT

	2022 000's \$	2021 000's \$
Furniture, fixtures and fittings		
At cost	23	44
Accumulated depreciation	(13)	(29)
Total furniture, fixtures and fittings	<u>10</u>	<u>15</u>
Motor vehicles		
At cost	296	296
Accumulated depreciation	(189)	(134)
Total motor vehicles	<u>107</u>	<u>162</u>
Office equipment		
At cost	72	47
Accumulated depreciation	(36)	(25)
Total office equipment	<u>36</u>	<u>22</u>
Computer equipment		
At cost	215	668
Accumulated depreciation	(187)	(359)
Total computer equipment	<u>28</u>	<u>309</u>
Renovation		
At cost	106	106
Accumulated depreciation	(39)	(27)
Total renovation	<u>67</u>	<u>79</u>
Signboard		
At cost	1	1
Accumulated depreciation	(1)	(1)
Total Signboard	<u>-</u>	<u>-</u>
Total property, plant and equipment	<u>248</u>	<u>587</u>

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Notes to the Financial Statements For the Year Ended 31 December 2022

11 Deferred Tax Assets

(a) Deferred Tax Assets

	Opening Balance 000's \$	Charged to Income 000's \$	Changes in Tax Rate 000's \$	Exchange Differences 000's \$	Closing Balance 000's \$
Fair value gain adjustments	711	(736)	-	25	-
Accelerated capital allowances for tax purposes	7	(8)	-	1	-
Prepaid credit fees received in advance	95	(98)	-	3	-
Impairment loss on receivables	109	(113)	-	4	-
Balance at 31 December 2021	922	(955)	-	33	-

(b) Deferred Tax Liabilities

	Opening Balance 000's \$	Charged to Income 000's \$	Changes in Tax Rate 000's \$	Exchange Differences 000's \$	Closing Balance 000's \$
Deferred tax liabilities					
Other	16	(16)	-	-	-
Balance at 31 December 2021	16	(16)	-	-	-

12 Right of Use Assets and Leases

Right-of-use assets

	Office premises 000's \$	Motor Vehicles 000's \$	Total 000's \$
Year ended 31 December 2022			
Balance at beginning of year	46	175	221
Additions to right-of-use assets	295	-	295
Depreciation charge	(47)	-	(47)
Derecognition due to lease termination	-	(175)	(175)
Balance at end of year	294	-	294

Notes to the Financial Statements
For the Year Ended 31 December 2022

12 Right of Use Assets and Leases

Right-of-use assets

	Office premises 000's \$	Motor Vehicles 000's \$	Total 000's \$
Year ended 31 December 2021			
Balance at beginning of year	7	108	115
Additions to right-of-use assets	50	109	159
Depreciation charge	(11)	(44)	(55)
Derecognition due to lease termination	-	(1)	(1)
Foreign currency translation	-	3	3
Balance at end of year	46	175	221

Lease liabilities

	2022 000's \$	2021 000's \$
Balance at beginning of year	203	142
Additions	284	-
Repayment of principal	(71)	143
Derecognition due to lease termination	-	(86)
Foreign currency translation difference	-	4
Balance at end of year	416	203
Analysed by:-	-	-
Current liabilities	296	82
Non current liabilities	120	121
Total	416	203

The Group lease various office premises and motor vehicles of which the leasing activities are summarised below:-
 Office premises

The Group has leased a number of properties that run between 1 year and 2 years, with an option to renew the lease after that date.

Motor vehicles

The Group has leased its motor vehicles under hire purchase arrangements. The lease are secured by the leased assets. The Group has an option to purchase the assets at the expiry of the lease period at an insignificant amount.

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Notes to the Financial Statements For the Year Ended 31 December 2022

13 Goodwill on Consolidation

	2022 000's \$	2021 000's \$
Balance at beginning of year	-	238
Acquisition of a subsidiary	6,131	-
Impairment loss during the year	(6,131)	(238)
Balance at end of year	-	-

The amount of goodwill relates to the customised software design and development cash-generating unit. The goodwill arose from the investment in subsidiaries and is reviewed for impairment annually.

14 Development costs

	000's \$
Opening balance	121
Additions/purchases	249
Depreciation	(107)
Foreign exchange movements	4
Balance at 31 December 2021	267
Opening balance	267
Additions/purchases	1,523
Depreciation	(681)
Balance at 31 December 2022	1,109

The development costs are in respect of the software development of the affiliate marketing solutions and other related services.

15 Trade Payables

	2022 000's \$	2021 000's \$
Trade payables	44	38
Total trade payables	44	38

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 to 60 (2021: 30 to 60) 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.

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Notes to the Financial Statements

For the Year Ended 31 December 2022

16 Other liabilities

	2022 000's \$	2021 000's \$
Other payables	744	632
Deposit received	-	80
Accruals	56	25
	<u>800</u>	<u>737</u>

Other payables includes the commission payable to affiliates amounting to approximately \$356,350 (2021:248,000).

17 Deferred revenue

	2022 000's \$	2021 000's \$
CURRENT		
Licence right to access	61	1,117
Total deferred income - current	<u>61</u>	<u>1,117</u>
NON-CURRENT		
Licence right to access	3,016	2,974
Total deferred income - non current	<u>3,016</u>	<u>2,974</u>

Deferred revenue represents the amount of transaction price received upfront and allocated to performance obligation in respect of software platform licences that are unsatisfied as at the end of the reporting period.

The software platform license provides for the rights to access the Group's affiliate marketing system as it exists throughout the licensed period. Licences that provide access are performance obligations satisfied over a certain period (between 3 years to 10 years) and therefore, deferred revenue is recognised over that licensed period.

The significant changes in the deferred revenue balance during the financial period/year are summarised below:

	2022 000's \$	2021 000's \$
Deferred revenue balance at the beginning of the financial year recognised as revenue	<u>11,075</u>	<u>1,089</u>

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Notes to the Financial Statements

For the Year Ended 31 December 2022

17 Deferred revenue

The following table shows revenue expected to be recognised in the future related to performance obligation that are unsatisfied (or partially satisfied) at the reporting date.

	2022 000's \$	2021 000's \$
Financial year ending 31 December 2022	-	1,117
Financial year ending 31 December 2023	484	1,995
Financial year ending 31 December 2024	693	583
Financial year ending 31 December 2025	976	330
Financial year ending 31 December 2026	544	107
Financial year ending 31 December 2027	380	20
	<u>3,077</u>	<u>4,152</u>

18 Issued Capital

	2022 000's \$	2021 000's \$
Ordinary shares	<u>8,328</u>	<u>2,442</u>

(a) Ordinary shares

	2022 No.	2021 No.
At the beginning of the reporting period	183,268,088	183,268,088
Shares issued during the year	105,812,280	-
At the end of the reporting period	<u>289,080,368</u>	<u>183,268,088</u>

The holder of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company and are entitled to one vote per ordinary shares at meetings of the Company. The ordinary shares have no par value.

19 Reserves

(a) Merger deficit

The merger deficit relates to the subsidiaries which were consolidated under the merger method of accounting.

The merger deficit arose from the difference between the nominal value of shares issued for the acquisition of subsidiaries and the nominal value of shares acquired.

(b) Foreign exchange translation reserve

Exchange differences arising on translation of the foreign controlled entities financial statements. The cumulative amount is reclassified to profit or loss when the net investment is disposed of.

Notes to the Financial Statements

For the Year Ended 31 December 2022

19 Reserves

(c) Share option reserve

This option reserve represents the equity-settled option granted to employees, directors and shareholders. The reserve is made up of the cumulative value over the vesting period commencing from the grant date of equity-settled option and is reduced by the expiry or exercise of the options.

The Group provides benefits to employees and directors of the Group in the form of share-based payments, whereby the employees and directors render services in exchange for share options and performance rights over shares. The total equity-settled share-based payment expense for the financial year was \$138,000.

The remaining movement in the option reserve of \$2,750,000 relates to options issued on the acquisition of Postech International Pty Ltd.

No person to whom the share option and performance rights has been granted above has any right to participate by virtue of the option in any share issue of the any other company.

The number of options exercisable as at the end of the reporting period was 112,906,209.

20 Events Occurring After the Reporting Date

The financial report was authorised for issue on 28 February 2023 by the board of directors.

No matters or circumstances have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Additional Information for Listed Public Companies

31 December 2022

ASX Additional Information

Substantial shareholders

The number of substantial shareholders and their associates are set out below:

Voting rights

Ordinary Shares

On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options

No voting rights.

Distribution of equity security holders

There were - holders of less than a marketable parcel of ordinary shares.

Twenty largest shareholders

Twenty largest option holders

Unissued equity securities

Options issued - .

Securities exchange

The Company is listed on the Australian Securities Exchange.