

28 October 2021

ASX Announcement

THIRD QUARTER ACTIVITIES & CASHFLOW REPORT

For period ended 30 September 2021

ASX: TYM

TYMLEZ Group Limited (ASX: TYM, 'TYMLEZ' or 'Company'), a software company focused on commercialising its sustainability blockchain solutions, is pleased to release an operational update and Appendix 4C for the quarter ended 30 September 2021.

Sales Activity

Throughout the September quarter, TYMLEZ engaged with senior executives from a broad range of industries, including energy retailers, infrastructure operators, and state/local governments, to promote the TYMLEZ brand and its suite of products.

There has been increased demand for products that enable transparent, auditable, and verifiable decarbonisation, such as those offered by TYMLEZ, from corporations with increasing sustainability goals. It is also clear that there is a strong need for a reliable and transparent approach to monitoring and reporting on Environment, Social and Governance (ESG) targets. TYMLEZ's suite of products are designed to help Boards and Executives fill that need.

Business development activity throughout the September quarter reaffirmed that the solutions being offered by TYMLEZ are aligned with this shift in market expectations and needs.

The next step for the Company is to execute commercial agreements and expand the TYMLEZ client base which is it working towards. This is the goal and focus for the December quarter.

Product Development

Work has continued to develop the TYMLEZ Platform suite of products, focusing on the Company's four pillars, being 1) Provenance/Track and Trace; 2) Smart Energy Data; 3) Transactive Energy; and 4) Trustless Data.

1) Provenance/Track and Trace

Offers clients a full overview of their supply chain from production or origin, through to consumption. The TYMLEZ Track & Trace solution provides producers, suppliers, and regulators with the insights they need to ensure that supply chains are ethical, green and sustainable.

2) Smart Energy Data

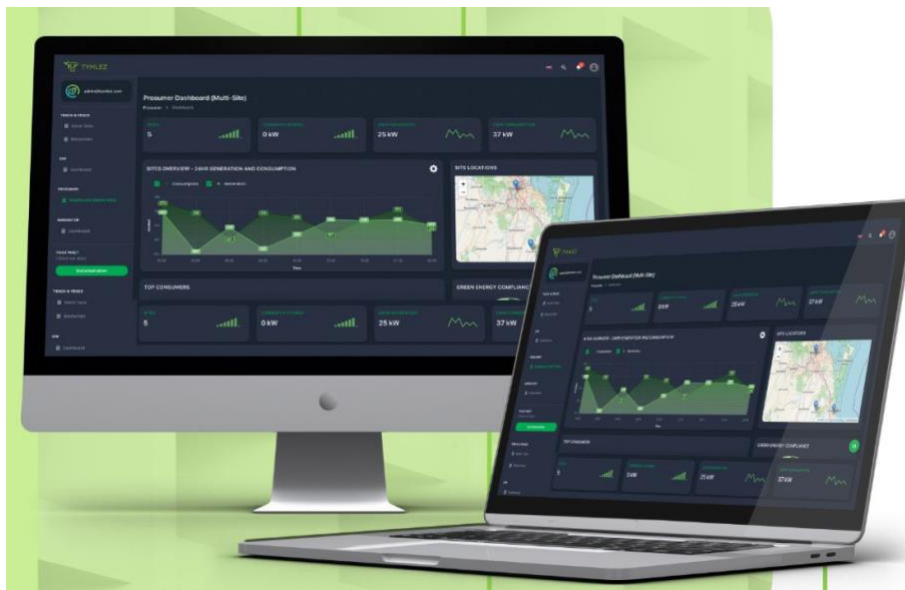
Allows energy operators and retailers to leverage data to better manage the operation of the grid through advanced analytics and machine learning models. This is done through edge devices that monitor energy consumption and generation on a per-circuit basis.

3) Transactive Energy

Encompasses leading-edge energy solutions such as virtual power plants (VPPs), microgrids, and peer-to-peer (P2P) energy trading. TYMLEZ Transactive Energy Solutions are at the forefront of innovation in the energy industry.

4) Trustless Data

Allows businesses to leverage blockchain technology for their own applications. The TYMLEZ platform enables businesses to combine their on-chain and off-chain data into one central data repository. Data may include publicly available data such as weather forecasts, through to more bespoke solutions requiring data from multiple third-party providers.



TYMLEZ Platform Demo

Strengthened Team

TYMLEZ welcomes Paul Li who joins the TYMLEZ team as the new Technical Lead.

Paul brings a wealth of energy industry knowledge and development experience to TYMLEZ, having previously worked at Amber Energy as the Lead Stake Developer. Paul will work closely with the CTO to further refine product and development activities to deliver client requirements.

Belinda Cleminson, from Automic Group, has also been appointed Joint Company Secretary of TYMLEZ, working with current Company Secretary Justyn Stedwell. Belinda has over 18 years' experience as a Company Secretary of Australian companies including ASX 200 clients. She is a member of the Governance Institute of Australia, and a Member of the Australian Institute of Company Directors.

TYMLEZ also appointed Mr James Kruger as Strategic Advisor to the Board and CEO. Mr Kruger was a long-standing Macquarie Group Executive Director based in Asia. Mr Kruger is currently a Board Member of various high-growth companies, including Canberra's Quantum Brilliance, and advises several Asian-based fund platforms on the opportunities in the energy and transport sectors with the onset of new de-carbonising technologies. He is also adviser to Red Earth Energy Storage Limited, Australia's leader in renewable energy storage solutions.

TROEF Update

The previously announced Transparent Reduction of CO₂ and Optimisation of Energy in an Ecosystem of Flexibility, or "TROEF" project continues to gather pace towards achieving the goals of a CO₂ free Netherlands.

The consortium is now developing an energy Track and Trace solution. The solution will track clean energy from a Royal BAM Group owned wind turbine to multiple residential, commercial and industrial premises. The solution will be powered by the TYMLEZ Platform, which has the ability to track and trace energy from production of a physical asset through to intermediaries (e.g. battery storage), and finally to end user consumption.

This solution is expected to be transportable to other growth areas such as solar.

TYMLEZ received cash receipts of A\$108,000 relating to TROEF during the quarter.

Updated Website

The new TYMLEZ website is being updated to reflect the refreshed strategic direction of TYMLEZ. Following further product enhancements and go-to-market positioning, the website now outlines the four pillars of the TYMLEZ suite of solutions explained above.

The initial interface change is now live, with the migration of the rest of the site expected to be completed before end 2021.

Comments from the CEO

TYMLEZ CEO Daniel O'Halloran said, *"This quarter, we have been actively meeting with potential clients, albeit virtually, to showcase our unique suite of products aimed at improving reliability and transparency in monitoring and reporting on ambitious EGS targets. The response to date has been positive, with a clear shift in executives', boards' and investors' expectations for companies to have greater transparency and focus on sustainability.*

"We have continued to make significant progress towards establishing and strengthening our brand in the market as a leading sustainability focused enterprise-grade solutions provider leveraging blockchain technology. Noting the size of our industry, our Company's optimal positioning and the positive reception to our products and services to date, we are tremendously excited for the future of TYMLEZ.

"In the December quarter, our goal is to gain further market penetration with key partners, further enhance our product offering, strengthen our brand and reputation further, and continue to exercise strict capital discipline to deliver value to our loyal shareholders."

Financial and Corporate Matters

During the quarter, cash receipts of A\$108,000 were attributable to the European operations (including the TROEF project).

In the quarter, cash outflow (spending) was A\$1,012,000. During the same period in 2020, cash outflow was A\$821,000. This reflects 23% increase. The net cash outflow (spending minus amounts received) was A\$904,000.

Summary of Expenditure Incurred on Business Activities

The expenditures of TYMLEZ for the September 2021 quarter can be summarised as follows (A\$1,000):

Advertising and marketing costs	24
Leased assets	45
Staff costs	708
Administration and corporate costs	234
Other Costs (interest, leases etc.)	1

Total cash outflow	1,012

Additional Information

Payments to related parties and their associates during the quarter was A\$218,000, which consists of salaries of two executive directors and fees for two non-executive directors.

Authorised by the TYMLEZ Board of Directors

– ENDS –

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ABOUT TYMLEZ

TYMLEZ is a sustainability focused enterprise-grade solutions provider that deploys leading software applications which leverage blockchain technology. The Company is focused on supporting clean energy and sustainability initiatives, along with other opportunities to develop products that rely on secure, trackable and traceable data transfer.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Tymlez Group Limited

ABN

37 622 817 421

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows	Current quarter	Year to date (9 months)
	\$A'000	\$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	108	199
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(24)	(77)
(d) leased assets	(45)	(107)
(e) staff costs	(708)	(1,813)
(f) administration and corporate costs	(234)	(532)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes/GST received/(paid)	-	14
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(904)	(2,318)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,270	6,921
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(68)	(424)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(34)	(191)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (Refund of oversubscription of shares)	(164)	-
3.10	Net cash from / (used in) financing activities	1,004	6,306

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,724	1,841
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(904)	(2,318)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,004	6,306
4.5	Effect of movement in exchange rates on cash held	-	(5)
4.6	Cash and cash equivalents at end of period	5,824	5,824

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000	
5.1	Bank balances	5,824	5,724
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,824	5,724

6. Payments to related parties of the entity and their associates	Current quarter \$A'000	
6.1	Aggregate amount of payments to related parties and their associates included in item 1 *	218
6.2	Aggregate amount of payments to related parties and their associates included in item 2	NIL

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

*Amount included in 6.1 above relates to remuneration (inclusive of share-based payments) paid to directors

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	NIL	NIL
7.2 Credit standby arrangements	NIL	NIL
7.3 Other (please specify)	625	625
7.4 Total financing facilities	625	625
7.5 Unused financing facilities available at quarter end		NIL
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
In July 2020, the Group was granted a €375K COVID-19 loan from the Dutch government which is unsecured and interest payable at 3% per annum.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(903)
8.2 Cash and cash equivalents at quarter end (item 4.6)	5,824
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	5,824
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	6.45
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A Item 8.5 is more than 2 quarters	
8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A Item 8.5 is more than 2 quarters	
8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A Item 8.5 is more than 2 quarters	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Authorised by the Board of Directors

On behalf of the Board,

Justyn Stedwell

Company Secretary

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.