

Jcurve Solutions Limited

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# ANNUAL FINANCIAL REPORT

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For the year ended 30 June 2023

ABN 63 088 257 729



**Advancing  
the growth  
of ambitious  
firms.**

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# Chairman Message



**Dear fellow shareholders,**

On behalf of the Board of Directors I am pleased to present the Jcurve Solutions Limited Annual Report for the year ended 30 June 2023 (FY2023).

The Company delivered solid financial results in FY2023 despite a slight decrease in year-on-year sales. Revenue pleasingly reached a new record of \$16.4m and underlying business earnings remained strong with an EBITDA of \$1.6m for FY2023. The Company reported an overall net loss after tax of \$0.3m, this included tax expense of \$0.6m primarily from the generation of taxable income in Australia and the derecognition of carried forward tax losses in Singapore and the Philippines.

Cash at bank was at \$4.3m as at 30 June 2023. This balance, as well as the company being debt free, saw your Board declare a fully franked special dividend of 0.175 cents per ordinary share in July 2023 which was subsequently paid to shareholders in September 2023. Supported by cash earnings growth the Board is committed to prioritising future capital management initiatives. These of course may be in the form of dividends and or buybacks.

Despite significant work undertaken on potential acquisition opportunities in FY2023, no acquisitions were made. Our commitment is to only make acquisitions that add value, are reasonably priced, not acquisitions at any cost and those that have synergies with our existing business operations.

In June we announced the resignation of Stephen Canning after 8 years with the Company as CEO and the appointment of Chris King to the CEO role. Chris commenced with Jcurve in August 2023 and has hit the ground running. Chris has a substantial change agenda and is focused on driving accelerated growth in recurring revenue and cash earnings.

Finally, thank you to our shareholders, employees, customers and partners for your ongoing support. With a reinvigorated team and focus, we look forward to a successful year ahead.

A handwritten signature in black ink, appearing to read 'M. Jobling'.

**Mark Jobling**  
Chairman

## Director's Report

Your directors present the annual financial report of the consolidated entity (referred to hereafter as 'Jcurve Solutions' or 'the Group') consisting of Jcurve Solutions Limited and the entities it controlled at the end of, or during, the year ended 30 June 2023. In order to comply with the provisions of the *Corporations Act 2001*, the Directors' Report is as follows:

### Directors and Company Secretary

The names of directors who held office during or since the end of the year and until the date of this report are as follows. Directors were in office for the entire year unless otherwise stated.

- Mr. Mark Jobling – Non-Executive Chairman
- Mr. Martin Green - Non-Executive Director
- Mr. Bruce Hatchman – Non-Executive Director
- Mr. David Franks – Company Secretary
- Mr Graham Baillie - Non-Executive Director

### Names, qualifications, experience, and special responsibilities

The following information is current as at the date of this report.

#### Mark Jobling

**B. Eco, B Laws (Hons) (Non-Executive Chairman)**



#### Experience and expertise

Mark Jobling joined the company on 8 April 2015 as a Non-Executive Director. Mark is a substantial shareholder of the Company and holds a Bachelor of Economics and Bachelor of Laws (Hons) from Monash University.

Mark is involved in a number of businesses across Asia including acting as Chairman of Impact Solar Group Limited, an Impact Electronics and Mitsubishi Corporation joint venture in renewable energy. Mark is also Chairman of Tomorrow Entertainment Group Pte Ltd which owns and operates a number of entertainment based attractions in Asia, primarily in Singapore.

Mark began his career as a commercial lawyer with Mallesons Stephen Jaques in Australia and went on to hold senior executive roles in multi-billion dollar companies, including Managing Director of South East Asia and Taiwan for CLP Holdings Limited, and CEO of OneEnergy Limited, a CLP/Mitsubishi Corporation joint venture in Asia.

#### Directorships of other listed companies

None.

#### Former directorships of other listed companies

None.

#### Special responsibilities

Chairman of the Remuneration Committee.

## Director's Report (continued)

### Bruce Hatchman

#### FCA MAICD JP (Non-Executive Director)



#### Experience and expertise

Bruce Hatchman was appointed to the Board of Jcurve Solutions on 27 November 2014 and acted as Chairman from 27 November 2014 until 18 January 2021 before remaining as a Non-Executive Director. Bruce is an experienced and successful finance professional. As the former Chief Executive of Crowe Horwath, Bruce has over 40 years' experience in providing audit and assurance, and M&A services to listed companies and other consulting services to large private enterprises. Bruce is a qualified Chartered Accountant and a member of the Australian Institute of Company Directors.

#### Directorships of other listed companies

None.

#### Former directorships of other listed companies

Non-Executive Director of Consolidated Operations Group Limited (change of name post resignation from the Company to COG Financial Services Limited).

#### Special responsibilities

Chairman of the Audit and Risk Management Committee and Member of the Remuneration Committee.

### Graham Baillie

#### FAICD (Non-Executive Director)



#### Experience and expertise

Graham Baillie was appointed a Non-Executive Director of Stratatel Limited (ASX:STE "Stratatel") back in September 2007. Subsequent to Stratatel's acquisition of Jcurve Solutions Pty Ltd, he was appointed Managing Director for period December 2013 to June 2014, then taking up the appointment of Executive Chairman in July 2014, overseeing the revitalisation of the commercial operations of Stratatel to re-emerge as Jcurve Solutions Limited (ASX:JCS). In November 2014, Graham returned to his original Non-Executive Director's role following the appointment of a new JCS independent Chairman. Post this transition process, he relinquished his Non-Executive Director's position in November 2015. Following an absence of nearly four years, Graham rejoined the JCS Group as a Non-Executive Director on 26 August 2019.

Graham is Jcurve Solutions' major shareholder through shares held by his family's superannuation fund.

Graham has a track record of growing small start-up businesses into sizeable and profitable business entities, ultimately with a national and international presence. In 1994, Graham established Outsource Australia Pty Ltd (OSA) to provide "white collar" business process outsourcing (BPO) services to both the private and public market sectors in Australia. In his capacity as majority shareholder and Chief Executive Officer he developed the company nationally and internationally. Today OSA is known as Converga. Prior to this, Graham was with AUSDOC during its formative years through to its ultimate ASX listing in September 1993. In this time, he was not only integral to the development of the company throughout Australia but was also involved in establishing similar business operations in New Zealand, USA and United Kingdom.

#### Directorships of other listed companies

None.

#### Former directorships of other listed companies

None.

#### Special responsibilities

Member of the Audit and Risk Management Committee.

## Martin Green

BA (Hons) in Accounting and Finance (Non-Executive Director)



### Experience and expertise

Martin Green joined the Group on 18 January 2021 as a Non-Executive Director. He has a strong corporate background having played a significant role in the private investment arm of Consolidated Press Holdings Pty Limited (CPH) for more than 10 years and subsequently Hong Kong where he helped set up CPH's operations. After leaving CPH, Martin has assisted in building and monetising technology and other businesses in Asia through his extensive corporate network. Martin is based in Hong Kong and holds a BA (Hons) in Accounting and Finance.

### Directorships of other listed companies

None.

### Former directorships of other listed companies

None.

### Special responsibilities

Member of the Audit and Risk Management Committee and Member of the Remuneration Committee.

## David Franks

B.Ec, CA, F Fin, FGIA, JP. (Company Secretary)



### Experience and expertise

David Franks joined Jcurve Solutions on 15 September 2014 as Company Secretary and a Non-Executive Director. He was a Non-Executive Director until 18 January 2022. He is a Chartered Accountant, Fellow of the Financial Services Institute of Australia, Fellow of the Governance Institute of Australia, Justice of the Peace, Registered Tax Agent and holds a Bachelor of Economics (Finance and Accounting) from Macquarie University. With over 20 years in finance and accounting, initially qualifying with Price Waterhouse in their Business Services and Corporate Finance Divisions, David has been CFO, Company Secretary and/or Director for numerous ASX listed and unlisted public and private companies, in a range of industries covering energy retailing, transport, financial services, mineral exploration, technology, automotive, software development and healthcare. Apart from Jcurve Solutions, Mr Franks is currently also the Company Secretary for the following ASX Listed entities: Applyflow Limited, COG Financial Services Limited, Cogstate Limited, Dubber Corporation Limited, Evergreen Lithium Limited, Exopharm Limited, IRIS Metals Limited, IXUP Limited, Noxopharm Limited, Nyrada Inc, Omega Oil and Gas Limited, White Energy Company Limited and ZIP Co Limited. David is also a Principal of the Automic Group and Director of Automic Finance Pty Ltd.

### Directorships of other listed companies

None.

### Former directorships of other listed companies

None.

### Special responsibilities

None.

## Director's Report (continued)

### Interests in the shares and options of the Group and related bodies corporate

As at the date of this report, the interests of the directors in the shares and options of Jcurve Solutions were:

	Ordinary Shares	Options over Ordinary Shares
Mark Jobling	50,704,301	-
Bruce Hatchman	3,500,000	-
Graham Baillie	83,124,215	-
Martin Green	-	-
	<b>137,328,516</b>	-

### Dividends and shareholder returns

No dividends were declared or paid during the financial year ended 30 June 2023.

On the 27th of July 2023, the Directors of Jcurve Solutions declared a special fully franked dividend of 0.175 cents per ordinary share. The total value of the dividend to be paid is \$574,601.18. The record date of the dividend was the 14th of August 2023 with a payment date of the 5th of September 2023. The dividend has not been recognised as a liability as at 30 June 2023.

### Principal activities

The principal activities of Jcurve Solutions during the year ended 30 June 2023 consisted of:

- 1) the sale, implementation and support of Enterprise Resource Planning (ERP) solutions, which consisted of:
  - (i) the exclusively licensed small business edition of Oracle NetSuite, JCurveERP (in Australia and New Zealand);
  - (ii) the Oracle NetSuite mid-market and enterprise editions (in Australia, New Zealand and South East Asia);
- 2) the sale and support of proprietary Telecommunications Expense Management Solutions;
- 3) the continued development of Quicta, the Group's proprietary owned Service Management Platform including the sale and support of the platform to paying customers;
- 4) the sale of digital marketing services under the brand name Dygiq.

### Review of Operations - Operating financial review

#### Financial Results for the Year

The Group recognised a net loss after tax of \$340,875 for year ended 30 June 2023 (loss after tax for 2022 was \$66,390).

The 'Normalised EBITDA' for the full year ended 30 June 2023 was \$1,643,228 (2022 was \$1,721,068), which has been determined as follows:

	Consolidated (\$)	
	2023	2022(*)
<b>Total profit/(loss) after tax for the year</b>	<b>(340,875)</b>	<b>(66,390)</b>
<b>Add Back: Non-cash expenses:</b>		
Depreciation / amortisation	1,258,168	1,085,999
Share based payment (write back)/expense	(7,783)	2,433
<b>Total non-cash expenses</b>	<b>1,250,385</b>	<b>1,088,432</b>
Income tax expense	403,430	481,635
Interest income/finance costs	28,939	88,474
Due diligence costs	100,810	23,538
Rapid Acquisition Transaction costs (*)	-	355,855
Government subsidies	(27,640)	(250,476)
<b>Normalised EBITDA</b>	<b>1,643,228</b>	<b>1,721,068</b>

(\*) Rapid Acquisitions Transaction costs have been included in other expenses in FY22.



## Director's Report (continued)

Normalised EBITDA is a financial measure which is not prescribed by Australian Accounting Standards (AAS) and represents the profit under AAS adjusted for specific significant items. The table above summarises key items between the statutory profit/loss after tax and normalised EBITDA. The directors use normalised EBITDA to assess the performance of the Group.

Normalised EBITDA has not been subject to any specific review procedures by our auditor but has been extracted from the accompanying audited financial report. The normalised EBITDA result outlined for the comparative period has been adjusted to ensure consistency in the reporting between periods.

The Group's total revenue for the year ended 30 June 2023 was \$16.4 million (2022: \$15.3 million), which includes:

- revenue from the sale of JCurveERP/NetSuiteERP licenses and support and implementation revenue in Australia of \$11.4 million (2022: \$10.2 million);
- revenue from the sale of NetSuiteERP licenses and support and implementation revenue in Asia \$2.9 million (2022: \$2.6 million);
- revenue from the sale of Telecommunications Expense Management Solutions \$1.0 million (2022: \$1.3 million);
- revenue from the sale of digital marketing solutions from the Dygiq business division \$0.7 million (2022: \$0.9 million); and
- revenue from the sale and implementation of the Quicta solution \$0.3 million (2022: \$0.2 million).

Total expenses including depreciation for the full year ended 30 June 2023 was \$14.1 million (2022: \$13.1 million). The largest expense during the year ended 30 June 2023 was employment expense with \$8.5 million (2022: \$8.5 million).

### Financial Position as at 30 June 2023

The Group had a cash balance of \$4.3 million as at 30 June 2023 (30 June 2022: \$5.1 million).

Jcurve Solutions remains in a strong financial position, supported by annual recurring revenue streams exceeding \$10 million, a cash balance of \$4.3 million as at 30 June 2023 and no external debt.

The decrease in assets from \$16.9 million as at 30 June 2022 to \$13.9 million as at 30 June 2023, is primarily the result of weaker trading conditions, the continued amortisation of group owned intangible assets and the derecognition of carried forward tax losses.

The liabilities balance decreased from \$11.9 million as at 30 June 2022 to \$9.2 million as at 30 June 2023 as a result of a further year of lease payments under the Group's office leases expiring, timing differences on the payment of creditors (a significantly higher in the proportion was outstanding as at 30 June 2022 compared to 30 June 2023). Also contributing to the decrease was a lower levels of unearned revenue following the successful completion of a number of large ERP implementation projects in June 2023.

### Risk management

The Group recognises the need to pro-actively manage the risks and opportunities associated with both day-to-day operations of the Group and its longer-term strategic objectives and has developed a risk management policy.

The Board is responsible for the establishment, oversight and approval of the Group's risk management strategy, internal compliance and controls. The Board is also responsible for defining the "risk appetite" of the Group so that the strategic direction of the Group can be aligned with its risk management policy.

The Group has the following risk management controls embedded in the Group's management and reporting system:

- 1) A comprehensive annual insurance program. This program is facilitated by an external broker;
- 2) A monthly risk register which is reviewed by the Executive Management Team and reported to the Board as part of the Board meeting packs;
- 3) Annual Strategic and operational business plans; and
- 4) Annual budgeting and forecasting and monthly forecasting and system evaluation which enable the monitoring of performance against expected targets and the evaluation of trends.

The Chief Executive Officer and Chief Financial Officer through monthly Board papers, report to the Board as to whether all identified material risks are being managed effectively across the Group.

## Director's Report (continued)

During the year, ongoing monitoring, mitigation and reporting on material risks was conducted by Executive Management Team, the Audit and Risk Committee and the Board and took place in accordance with the process disclosed above.

The Risk Management Policy can be found on the Group's website:

<https://www.jcurvesolutions.com/corporate-governance/>

### Significant changes in the state of affairs

There were no significant changes in the state of affairs of Jcurve Solutions during the financial year.

### Events since the end of the financial year

On the 27th of July 2023, the Directors of Jcurve Solutions declared a special fully franked dividend of 0.175 cents per ordinary share. The total value of the dividend to be paid is \$574,601. The record date of the dividend was the 14th of August 2023 with a payment date of the 5th of September 2023. The dividend has not been recognised as a liability as at 30 June 2023.

There have been no other events since the end of the financial year, which have materially impacted the operations of the Group.

### Likely developments and expected results of operations

Following the resignation of Jcurve Solutions Chief Executive Officer, Stephen Canning on the 15th of June 2023 and subsequent appointment of Chris King as announced on 12th of August 2023, Jcurve Solutions is in the process of undertaking a detailed strategic review of all areas of the business. Ensuring that the Company grows quickly but importantly in a profitable manner will be a key focus area as part of this strategic review. The Directors and Management team remain committed to ensuring increasing Shareholder Value remains a key priority in the short term.

### Indemnification of Directors, Officers and Auditors

The Group has agreed to indemnify all the directors and officers for any breach of laws and regulations arising from their role as a director and officer. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Jcurve Solutions has not indemnified or agreed to indemnify an auditor of the Group or any related body corporate against liability incurred as an auditor.

## Director's Report (continued)

### Meetings of Directors

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

Number of meetings:	Directors' Meetings Attended/(Eligible)	Audit & Risk Management Committee Attended/(Eligible)	Remuneration Committee Attended / (Eligible)
Mark Jobling	8 (8)	0 (0)	2 (2)
Bruce Hatchman	8 (8)	4 (4)	2 (2)
Graham Baillie	7 (8)	3 (4)	0 (0)
Martin Green	7 (8)	4 (4)	1 (2)

### Retirement, election and continuation in office of Directors

It is the Board's policy to consider the appointment and retirement of Non-Executive Directors on a case-by-case basis. In doing so, the Board must take into account the requirements of the Australian Securities Exchange Listing Rules and the *Corporations Act 2001*.

Clause 13.4 of the Jcurve Solutions Constitution allows the Directors to at any time appoint a person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors does not at any time exceed the maximum number specified by the Jcurve Solutions Constitution. Any Director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation (if any) at that meeting.

Clause 13.2 of the Jcurve Solutions Constitution requires that no director who is not the Chief Executive Officer may hold office without re-election beyond the third AGM following the meeting at which the director was last elected or re-elected.

The current board was re-elected by shareholders at the following prior AGMs:  
2022: Bruce Hatchman and Mark Jobling; 2021: Graham Baillie and Martin Green

Therefore, under clause 13.4 of the Jcurve Solutions Constitution either Graham Baillie and Martin Green are due for election at the Next Annual General Meeting.

### Proceedings on behalf of the company

No person has applied for leave of the Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any such proceedings during the year.

### Auditor Independence and Non-Audit Services

Section 307C of the *Corporations Act 2001* requires our auditors, Grant Thornton Audit Pty Ltd, to provide the directors of the Company with an Independence Declaration in relation to the audit of the annual report. This Independence Declaration is set out on page 21 and forms part of this Directors' Report for the year ended 30 June 2023.

### Non-Audit Services

There were no non-audit related activities carried out by the Company's auditors during the year ended 30 June 2023.

### Corporate Governance Statement

In fulfilling its obligations and responsibilities to its various stakeholders, the Board is a strong advocate of corporate governance. The Board supports a system of corporate governance to ensure that the management of Jcurve Solutions is conducted to maximise shareholder wealth in a proper and ethical manner.

The Corporate Governance Statement and other corporate governance practices which outline the principal corporate governance procedures of Jcurve Solutions can be found on the company's website at:

<http://www.jcurvesolutions.com/corporate-governance/>.

## Director's Report (continued)

### Remuneration report (Audited)

The directors are pleased to present Jcurve Solutions Limited's ("the Company's") remuneration report for the year ended 30 June 2023. The remuneration report is prepared in accordance with section 300A of the *Corporations Act 2001* and has been audited as required by section 308(3C) of the *Corporations Act 2001*.

The remuneration report outlines the key aspects of Jcurve Solutions remuneration policy, framework and remuneration awarded for Jcurve Solutions directors and executives. The Executives for the purpose of this report are Key Management Personnel who are not Non-Executive Directors.

The Remuneration Report is structured as follows:

- 1) Directors and other Key Management Personnel
- 2) Remuneration Governance
- 3) Remuneration Structure
- 4) Remuneration of key management personnel
- 5) Relationship between remuneration and Jcurve Solutions performance
- 6) Voting and comments made at the Company's 2022 Annual General Meeting
- 7) Details of share-based compensation
- 8) Shareholdings of Key Management Personnel
- 9) Transactions with Directors and Key Management Personnel

### 1) Directors and other Key Management Personnel

#### *Non-Executive Directors*

Mark Jobling	Non-Executive Chairman – Not Independent
Bruce Hatchman	Non-Executive Director – Independent
Graham Baillie	Non-Executive Director – Not Independent
Martin Green	Non-Executive Director – Independent

#### *Executive Management Team (Executives)*

Stephen Canning (i)	Chief Executive Officer – resigned 15 June 2022. Final employment date 31 August 2023
James Aulsebrook	Chief Financial Officer
Katrina Doring (ii)	Managing Director ANZ and Chief Operating Officer
Arthur Fernandez (iii)	General Manager Asia and Chief Growth Officer until 30 June 2023

Key Management Personnel are defined as those persons having the authority and responsibility for planning, directing and controlling the activities of the Company directly or indirectly (and include the directors of the Company). The Executive Management team are responsible for preparing the Group's Strategic Plan and evaluating the Company's progress against that Strategic Plan.

- (i) Stephen Canning resigned as Chief Executive Officer on 15 June 2022. Final employment date 31 August 2023.
- (ii) Katrina Doring title, roles and responsibilities changed effective 31 March 2023. Changed from Chief Operating Officer to Managing Director ANZ and Chief Operating Officer.
- (iii) Arthur Fernandez title, roles and responsibilities changed effective 1 April 2023. Changed from Chief Growth Officer to General Manager Asia and Chief Growth Officer. Employment terminated effective 30 June 2023.

### 2) Remuneration governance

#### *Remuneration philosophy*

The performance of the Company depends upon the quality of the directors and executives employed by Jcurve Solutions. The philosophy of the Company in determining remuneration levels is to:

- (i) set competitive remuneration packages to attract and retain high calibre employees;
- (ii) link executive rewards to shareholder value creation; and
- (iii) establish appropriate performance hurdles for variable executive remuneration.

## Director's Report (continued)

### Remuneration report (Audited) (continued)

#### Nomination and Remuneration committee

The Nomination and Remuneration Committee is responsible for determining and reviewing compensation arrangements for the directors and the executive management team.

The composition of the Nomination and Remuneration Committee during the year ended 30 June 2023 was as follows:

- (i) Mark Jobling (Chairman) (Non Executive Director – Not Independent);
- (ii) Bruce Hatchman (Non Executive Director - Independent); and
- (iii) Martin Green (Non Executive Director - Independent).

In relation to the above, all are non-executive directors, the majority of members are independent however the Chairman is not independent.

On this basis, the Nomination and Remuneration Committee is partially compliant with the ASX Corporate Governance Principles and Recommendations.

Members of the Nomination and Remuneration Committee are appointed, removed and/or replaced by the Board.

The Nomination and Remuneration Committee assesses the appropriateness of the nature and amount of remuneration which the directors and executives receive on a periodic basis by reference to relevant employment market conditions with overall objectives of:

- (i) Ensuring maximum stakeholder benefit from the retention of a high-quality Board and executive team;
- (ii) Aligned to the Company's strategic business priorities which have been set to achieve shareholder value;
- (iii) Ensuring that the remuneration structure is transparent and easily understood;
- (iv) Acceptable to all shareholders.

The Company's Corporate Governance Statement which can be found on the Company's website: <http://www.jcurvesolutions.com/corporate-governance>, provides further information on the role of the Nomination and Remuneration Committee and its composition and structure.

A copy of the Nomination and Remuneration Committee's charter is included on the Company's website.

### 3) Remuneration Structure

In accordance with best practice Corporate Governance, the structure of non-executive director and executive remuneration is separate and distinct.

#### Non-executive director remuneration

The Board seeks to set aggregate remuneration at a level that provides Jcurve Solutions with the ability to attract and retain directors of the highest calibre, whilst incurring a cost that is acceptable to shareholders.

Jcurve Solutions' constitution adopted at the AGM on 9 November 2010 specifies that the aggregate remuneration of non-executive directors shall be a maximum of \$400,000 per year, and can be varied by ordinary resolution of the shareholders in a General Meeting. There have been no changes to the constitution of Jcurve Solutions since this date.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst directors is reviewed annually.

Non-executive directors are paid their director fees in cash, including statutory superannuation contributions. They do not receive any bonus payments nor are they entitled to any payment upon retirement or resignation.

The remuneration structure for the directors from 1 July 2022 was as follows:

- (i) Chairman: \$99,000 per annum;
- (ii) Resident non-executive directors: \$72,930 including compulsory superannuation per annum;
- (iii) Non-resident non-executive directors: \$66,000 per annum;
- (iv) Chair of the Audit Committee: \$11,050 including compulsory superannuation per annum.

## Director's Report (continued)

### Remuneration report (Audited) (continued)

There was no change to the remuneration structure for the directors from 1 July 2023.

The remuneration of non-executive directors for the year ended 30 June 2023 and comparative year is detailed in Section 4, Table 1 of the Remuneration report.

#### Executive remuneration

The Company's Executive remuneration structure consists of three components:

Fixed components	Variable 'at-risk' components
(i) Base salary and benefits, including superannuation.	(i) Short-term incentives in the form of cash bonuses; and (ii) Long-term incentives, through participation in the Jcurve Solutions Equity Incentive Plan (EIP).

#### (i) Base salary and benefits

Executives are given the opportunity to receive their fixed (primary) remuneration in a variety of forms including cash, superannuation/CPF and fringe benefits. It is intended that the manner of payment chosen will be optimal for the recipient without creating undue cost for the Group.

Each executive's remuneration is reviewed annually by the Nomination and Remuneration Committee. The process consists of a review of relevant comparative remuneration in the market, internally and, where appropriate, external advice on policies and practices. The Nomination and Remuneration committee has access to external, independent advice if required.

#### (ii) Short-term incentive

The Short-term incentive (STI) scheme is designed to reward the Executive Management team for their contribution to the success of Jcurve Solutions in achieving its financial goals, as well as the individual contribution of each employee to business goals, as determined by the Board.

A new short term incentive bonus scheme was implemented from 1 July 2022 for the Executive Management Team.

The FY2023 KPI targets for the Short-term incentive plan were determined by the Board based on Key Result Areas (KRA's) which the Board believes will affect the performance of Jcurve Solutions during the financial year. The KRA for the year ended 30 June 2023 was a total revenue metric while for the year ended 30 June 2022 multiple KRA's and metrics were set. The metric/s are determined with reference to Jcurve Solutions strategic goals and objectives and is measured based on the audited statutory financial results. For FY2023 the KRA targets were not met and no bonuses were payable. For FY2022 the KRA metrics were partially met.

This short-term incentive scheme takes the form of a cash bonus payable.

The potential value of the short-term incentive schemes as a proportion of each Executive's base salary was as follows:

Executives	FY2023 STI Potential (*)	FY2022 STI Potential (*)
Stephen Canning (**)	55%	61%
James Aulsebrook	43%	50%
Katrina Doring	46%	51%
Arthur Fernandez (***)	44%	51%
James Butler (****)	Not applicable	62%

(\*) STI bonus potential as a proportion of the Executive's base contracted salary excluding superannuation and other benefits.

## Director's Report (continued)

### Remuneration report (Audited) (continued)

(\*\*) Resigned 15 June 2023. Last day of employment 31 August 2023.

(\*\*\*) Last day of employment 30 June 2023.

(\*\*\*\*) Last day of employment 28 February 2022.

#### (iii) Long-term incentive

The long-term equity incentive plan is designed to align a portion of Executive Remuneration with long term shareholder value.

The Jcurve Solutions Equity Incentive Plan (EIP) was approved by shareholders at the Annual General Meeting held on 22 November 2016 and reapproved on 19 November 2019. There were no new performance rights issued during the year ended 30 June 2023.

The following performance rights expired during the year ended 30 June 2023 after the share price performance condition was not met.

Vesting Date – 31 January 2023	
<b>Executives</b>	
Stephen Canning	1,000,000
James Aulsebrook	600,000
Katrina Doring	500,000
Arthur Fernandez	500,000

As at 30 June 2023, there are no remaining performance rights active for the Executive Management Team.

#### 4) Remuneration of key management personnel

**Table 1: Key Management Personnel remuneration for the year ended 30 June 2023: Directors**

Directors		Short-term employee benefits			Post-employment	Equity	Total	
		Director's Fees \$	Bonuses / Commission \$	Other short- term benefits \$	Super- annuation \$	Shares \$	Total \$	Performance Related %
Mark Jobling <i>Chairman (non-executive)</i>	2023	99,000	-	-	-	-	99,000	-
	2022	90,000	-	-	-	-	90,000	-
Bruce Hatchman <i>Director (non-executive)</i>	2023	68,513	-	-	15,467	-	83,980	-
	2022	56,775	-	-	18,925	-	75,700	-
Graham Baillie <i>Director (non-executive)</i>	2023	66,000	-	-	6,930	-	72,930	-
	2022	59,130	-	-	6,570	-	65,700	-
Martin Green <i>Director (non-executive)</i>	2023	66,000	-	-	-	-	66,000	-
	2022	60,000	-	-	-	-	60,000	-
<b>Total Directors Fees</b>	<b>2023</b>	<b>299,513</b>	-	-	<b>22,397</b>	-	<b>321,910</b>	-
Total Directors Fees	2022	265,905	-	-	25,495	-	291,400	-

## Director's Report (continued)

## Remuneration report (Audited) (continued)

Table 2: Key Management Personnel remuneration for the year ended 30 June 2023: Executives

Executives (8)		Short-term employee benefits			Long-term	Post-employment	Other	Equity	Total	
		Salary \$	Bonuses / Commission (6) \$	Other short- term benefits (5) \$	Long service leave \$	Super- annuation or CPF \$	Other (7) \$	Shares/ Performance Rights \$ \$	Performance Related %	
Stephen Canning (1) <i>Chief Executive Officer</i>	2023	439,874	10,952	16,075	-	151	-	2,683	469,735	3%
	2022	328,037	156,581	19,181	-	138	-	6,680	510,617	32%
James Aulsebrook <i>Chief Financial Officer</i>	2023	235,000	-	7,008	8,474	16,954	-	1,610	269,046	1%
	2022	200,000	75,000	12,220	5,612	27,875	-	4,008	324,715	24%
Katrina Doring (2) <i>Chief Operating Officer</i>	2023	220,000	-	(2,837)	6,591	15,773	-	1,342	240,869	1%
	2022	195,000	75,000	8,605	8,199	27,375	-	3,340	317,519	25%
Arthur Fernandez (3) <i>Chief Growth Officer</i>	2023	261,772	11,740	4,045	-	14,459	52,354	1,342	345,712	4%
	2022	199,715	72,027	15,817	-	26,579	-	3,340	317,478	24%
James Butler (4) <i>Chief Marketing Officer</i>	2023	-	-	-	-	-	-	-	-	-
	2022	160,330	-	(3,865)	-	-	-	7,160	163,625	4%
<b>Total Executive Rem.</b>	<b>2023</b>	<b>1,156,646</b>	<b>22,692</b>	<b>24,292</b>	<b>15,065</b>	<b>47,337</b>	<b>52,354</b>	<b>6,977</b>	<b>1,325,362</b>	<b>2%</b>
Total Executive Rem.	2022	1,083,08	378,608	51,958	13,811	81,829	-	24,528	1,633,954	25%

(1) Resigned 15 June 2023. Last day of employment 31 August 2023.

(2) Change of Job Title and roles and responsibilities from 1 April 2023 to Managing Director ANZ and Chief Operating Officer.

(3) Change of Job Title and roles and responsibilities from 1 April 2023 to General Manager Asia and Chief Growth Officer. Employment terminated effective 30 June 2023.

(4) Resigned 28 February 2022.

(5) other short-term benefits include annual leave accrued for each Executive Team Member as per Corporations Regulation 2M.3.03(1) Item 6.

(6) The bonuses or commissions included in the above table are those which have been accrued in the financial results.

(7) Other benefits include termination benefits accrued in respect of the termination of Arthur Fernandez's employment effective 30 June 2023.

(8) Remuneration is paid in the local currency of the Executive before being translated into Australian Dollars for the purposes of the Remuneration Report and Financial records.

## Table 3: Service Agreements

Remuneration and other terms of employment for the Executive Management Team are formalised in service agreements, in the form of a contract of employment.

Arrangements relating to remuneration of the Company's Executive Management Team currently in place are set out below:

Executives	Title	Term of agreement	Current base salary excluding superannuation (*) (**)	Contractual termination benefits (***)
Stephen Canning	Chief Executive Officer	Commenced 1 August 2019 on a rolling contract. Provided notice of resignation on 15 June 2023 (*).	\$365,000	6 months base salary
Christopher King	Chief Executive Officer	Commenced 14 August 2023 on a rolling contract.	\$325,000	6 months base salary
James Aulsebrook	Chief Financial Officer	Commenced 18 April 2016 on a rolling contract	\$235,000	3 months base salary
Katrina Doring	Chief Operating Officer	Commenced 5 July 2016 on a rolling contract	\$230,000	3 months and 1-week base salary

(\*) Contractually required to provide a 6 month notice period. Mutually agreed with the Directors that final date of employment is to be 31 August 2023 with remaining 3.5 months notice period to be paid out in full in a final termination pay.



## Director's Report (continued)

### Remuneration report (Audited) (continued)

(\*\*) Current base salaries excluding superannuation are quoted for the year commencing 1 July 2023 unless otherwise noted below. They are reviewed annually by the Remuneration Committee. The salaries recorded in Table 2 are for the years ending 30 June 2023 and 30 June 2022.

(\*\*\*) As at the date the Remuneration Report is approved. The service agreement contracts outlined above may be terminated in the following circumstances:

- (i) Voluntary termination by the Company: the contractual termination benefit outlined in the table above as well as any statutory entitlements accrued will be paid; or
- (ii) Termination by the Company for cause without notice: no contractual termination benefits are payable. Only statutory entitlements accrued will be paid.

### 5) Relationship between remuneration and Jcurve Solutions performance

Performance in respect of the current year and the previous four years is detailed in the table below:

	2023 \$	2022 \$ (*)	2021 \$	2020 \$	2019 \$
Total profit/ (loss) for the year	(340,875)	(66,390)	152,255	(298,804)	338,114
Normalised EBITDA (*)	1,643,228	1,721,067	1,234,954	670,501	852,589
Share price at year end (\$)	0.039	0.060	0.058	0.036	0.034
Increase/ (decrease) in share price	(35%)	3%	61%	6%	10%
Dividends paid	-	-	-	-	-

(\*) The 2022 prior year comparative has been adjusted to ensure consistency in the calculation of normalised EBITDA between periods.

The remuneration of Jcurve Solutions Executives outlined in Table 2 has consisted primarily of salaries, short term incentives and superannuation. Performance related remuneration which was inclusive of short-term incentives and long-term incentives was 2% of the Key Management Personnel's remuneration package, as outlined in table 2.

### 6) Voting and comments made at the Company's 2022 Annual General Meeting

The 2022 Jcurve Solutions Remuneration Report resolution was carried by a poll, with the results of 99.99% in favour and therefore in excess of 75% in favour of the resolution. Comments raised by shareholders during the Annual General Meeting were responded to by the Directors during the meeting.

### 7) Details of share-based compensation

There were no long-term incentives that were issued to employees or Directors of the Company over the past two years.

**Table 1:** Performance rights issued to members of the Executive Management Team under the Jcurve Solutions Equity Incentive Plan on 7 February 2020 which expired during the year ended 30 June 2023

Vesting Date - 31 January 2023	
<b>Executives</b>	
Stephen Canning	1,000,000
James Aulsebrook	600,000
Katrina Doring	500,000
Arthur Fernandez	500,000

All Performance rights under this tranche had expired as at 30 June 2023.

## Director's Report (continued)

### Remuneration report (Audited) (continued)

**Table 2:** Performance rights issued to members of the Executive Management Team under the Jcurve Solutions Equity Incentive Plan on 7 February 2020 which expired during the year ended 30 June 2022

Vesting Date – 31 January 2022	
<b>Executives</b>	
Stephen Canning	1,000,000
James Aulsebrook	600,000
Katrina Doring	500,000
Arthur Fernandez	500,000

All Performance rights under this tranche had expired as at 30 June 2022.

**Table 3:** Performance rights issued to members of the Executive Management Team under the Jcurve Solutions Equity Incentive Plan on 16 March 2021 which expired or were forfeited during the year during the year ended 30 June 2022

Executives	Vesting Date – 31 January 2022	Vesting Date – 30 June 2022	Vesting Date – 31 January 2023
Stephen Canning	Nil	1,000,000	Nil
James Aulsebrook	Nil	600,000	Nil
Katrina Doring	Nil	500,000	Nil
Arthur Fernandez	Nil	500,000	Nil
James Butler (1)	500,000	500,000	500,000

(1) Forfeited 1 March 2022 as the performance condition accompanying the performance rights was not met.

**Table 4:** Performance rights issued which formed part of remuneration during the year ended 30 June 2023: 2020 Plan

Executives	Value of total performance rights granted \$	Value of performance rights lapsed \$	Total value of performance rights granted, exercised and lapsed \$	Value of performance rights included in remuneration for the year \$	% Remuneration consisting of shares for the year
Stephen Canning	-	13,741	13,741	2,683	0.6%
James Aulsebrook	-	8,245	8,245	1,610	0.6%
Katrina Doring	-	6,871	6,871	1,342	0.6%
Arthur Fernandez	-	6,871	6,871	1,342	0.4%

The value of each performance right granted under each tranche of the equity incentive plan was as follows:

- (1) Tranche one of the 16 March 2021 Incentive Plan: \$0.0058 per performance right;
- (2) Tranche two of the 16 March 2021 Incentive Plan: \$0.0137 per performance right
- (3) Tranche three of the 16 March 2021 Incentive Plan: \$0.0095 per performance right

## Director's Report (continued)

### Remuneration report (Audited) (continued)

**Table 5:** Performance rights issued which formed part of remuneration during the year ended 30 June 2022: 2021 Plan

Executives	Value of total performance rights granted \$	Value of performance rights lapsed \$	Total value of performance rights granted, exercised and lapsed \$	Value of performance rights included in remuneration for the year \$	% Remuneration consisting of shares for the year
Stephen Canning	-	13,741	13,741	4,773	1.3%
James Aulsebrook	-	8,245	8,245	2,864	1.2%
Katrina Doring	-	6,871	6,871	2,387	1.0%
Arthur Fernandez	-	6,871	6,871	2,386	1.4%
James Butler	-	14,498	14,498	7,160	3.1%

The value of each performance right granted under each tranche of the equity incentive plan was as follows:

- (1) Tranche one of the 16 March 2021 Incentive Plan: \$0.0058 per performance right;
- (2) Tranche two of the 16 March 2021 Incentive Plan: \$0.0137 per performance right
- (3) Tranche three of the 16 March 2021 Incentive Plan: \$0.0095 per performance right

### 8) Shareholdings of Key Management Personnel

Ordinary shares held in Jcurve Solutions Limited (number)

30 June 2023	Balance 01 Jul 22	Granted as remuneration	Bought back under employee share plan	Net Change Other	Balance 30 Jun 23
<b>Directors</b>					
Bruce Hatchman	3,500,000	-	-	-	3,500,000
Mark Jobling	50,704,301	-	-	-	50,704,301
Graham Baillie	83,124,215	-	-	-	83,124,215
Martin Green	-	-	-	-	-
<b>Executives</b>					
Stephen Canning (*)	3,233,418	-	-	-	3,233,418
James Aulsebrook	-	-	-	-	-
Katrina Doring	1,975,534	-	-	-	1,975,534
Arthur Fernandez (**)	1,400,000	-	-	(400,000)	1,000,000
<b>Total</b>	<b>143,937,468</b>	<b>-</b>	<b>-</b>	<b>400,000</b>	<b>143,937,468</b>

(\*) Resigned 15 June 2023. Last day of employment 31 August 2023.

(\*\*) Last day of employment 30 June 2023.

**Director's Report (continued)****Remuneration report (Audited) (continued)**

<b>30 June 2022</b>	<b>Balance 01 Jul 21</b>	<b>Granted as remuneration</b>	<b>Bought back under employee share plan</b>	<b>Net Change Other</b>	<b>Balance 30 Jun 22</b>
<b>Directors</b>					
Bruce Hatchman	3,500,000	-	-	-	3,500,000
Mark Jobling	50,704,301	-	-	-	50,704,301
Graham Baillie	83,124,215	-	-	-	83,124,215
Martin Green	-	-	-	-	-
<b>Executives</b>					
Stephen Canning	3,233,418	-	-	-	3,233,418
James Aulsebrook	-	-	-	-	-
Katrina Doring	1,975,534	-	-	-	1,975,534
Arthur Fernandez	1,400,000	-	-	-	1,400,000
<b>Total</b>	<b>143,937,468</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>143,937,468</b>

All equity transactions with key management personnel other than those arising from the exercise of remuneration options have been entered into under terms and conditions no more favourable than those the company would have adopted if dealing at arm's length.

**9) Transactions with Directors and Key Management Personnel**

Sales to and purchases from related parties are made in arm's length transactions both at normal market prices and on normal commercial terms. Outstanding balances at year-end are unsecured, interest free and settlement occurs in cash.

End of Remuneration Report

This report is made in accordance with a resolution of the directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.



Mark Jobling  
Chairman  
30 August 2023



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## Auditor's Independence Declaration

### To the Directors of JCurve Solutions Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of JCurve Solutions Limited for the year ended 30 June 2023, 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 audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd  
Chartered Accountants

A handwritten signature in blue ink, appearing to read "P J Woodley".

P J Woodley  
Partner – Audit & Assurance

Sydney, 30 August 2023

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## Consolidated Statement of Profit or Loss and other Comprehensive Income For the year ended 30 June 2023

		Consolidated (\$)	
	Notes	2023	2022
Revenue	3	16,397,138	15,269,043
Cost of goods sold		(2,113,276)	(2,229,445)
Other income	3	89,576	491,703
Employee benefits expenses	4	(8,519,157)	(8,500,505)
Other employee related expenses	4	(551,219)	(519,882)
IT and communications expenses		(688,704)	(556,365)
Advertising and marketing expenses		(306,046)	(278,116)
Professional fees	4	(1,773,830)	(1,447,083)
Occupancy expenses		(2,027)	(5,105)
Travel expenses		(263,929)	(114,748)
Depreciation and amortisation expenses	4	(1,258,168)	(1,085,999)
Bad debt expenses		(79,928)	(113,379)
Finance expense		(53,624)	(95,783)
Due diligence costs		(100,810)	(23,539)
Other expenses		(485,262)	(375,552)
<b>Profit before income tax</b>		<b>290,734</b>	<b>415,245</b>
Income tax expense	5	(631,609)	(481,635)
<b>Loss for the year</b>		<b>(340,875)</b>	<b>(66,390)</b>
Other comprehensive income (exchange differences on translation of foreign operations)		78,606	(31,115)
<b>Total comprehensive loss for the year</b>		<b>(262,269)</b>	<b>(97,505)</b>
Basic loss per share (cents per share)	6	(0.10)	(0.02)
Diluted loss per share (cents per share)	6	(0.10)	(0.02)

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

# Consolidated Statement of Financial Position as at 30 June 2023

Jcurve Solutions Limited

		Consolidated (\$)	
	Notes	2023	2022 (*)
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	7	4,265,288	5,108,316
Trade and other receivables	8	1,310,647	1,841,812
Contract Assets	9	2,369,614	2,620,634
Security Deposits (*)	10	208,183	216,043
Other current assets (*)	11	535,964	575,054
<b>Total Current Assets</b>		<b>8,689,696</b>	<b>10,361,859</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	12	122,770	176,607
Intangible assets	13	2,586,545	3,178,552
Right-of-use assets	14	915,765	1,392,904
Deferred tax asset	5	1,585,522	1,758,017
<b>Total Non-Current Assets</b>		<b>5,210,602</b>	<b>6,506,080</b>
<b>Total Assets</b>		<b>13,900,298</b>	<b>16,867,939</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and other payables	15	2,396,389	3,784,440
Contract Liabilities - unearned revenue	16	3,210,303	3,768,540
Current tax liability		35,198	489,166
Lease liabilities	17	503,246	498,027
Provisions	18	560,551	555,667
<b>Total Current Liabilities</b>		<b>6,705,687</b>	<b>9,095,840</b>
<b>Non-Current Liabilities</b>			
Contract Liabilities - unearned revenue	16	298,382	225,750
Lease liabilities	17	503,380	976,733
Deferred tax liabilities	5	1,511,446	1,436,554
Provisions	18	150,006	131,613
<b>Total Non-Current Liabilities</b>		<b>2,463,214</b>	<b>2,770,650</b>
<b>Total Liabilities</b>		<b>9,168,901</b>	<b>11,866,490</b>
<b>Net Assets</b>		<b>4,731,397</b>	<b>5,001,449</b>
<b>Equity</b>			
Share capital	19	17,586,326	17,586,326
Reserves	20	1,712,815	1,641,992
Accumulated losses		(14,567,744)	(14,226,869)
<b>Total Equity</b>		<b>4,731,397</b>	<b>5,001,449</b>

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

(\*) Term deposits have been reclassified from other current assets to security deposits in the comparative 2022 balance.

## Consolidated Statement of Cash Flows for the year ended 30 June 2023

Jcurve Solutions Limited

		<b>Consolidated (\$)</b>	
	<b>Notes</b>	<b>2023</b>	<b>2022</b>
<b>Consolidated (\$)</b>			
<b>Inflows / (Outflows)</b>			
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of GST)		15,978,132	15,778,201
Payments to suppliers and employees (inclusive of GST)		(15,303,509)	(14,035,301)
Net Interest received		23,009	8,252
Income tax received/(paid)		(843,572)	(705,752)
Net cash (paid)/provided by operating	7	(145,940)	1,045,400
<b>Cash flows used in investing activities</b>			
Payments for property, plant and equipment		(37,883)	(125,719)
Proceeds from the sale of property, plant and equipment		450	-
Payments to merger and acquisition		-	(298,264)
Net cash used in investing activities		(37,433)	(423,983)
<b>Cash flows used in financing activities</b>			
Repayment of principal of leases		(561,585)	(525,538)
Interest expense of leases		(83,094)	(80,065)
Net cash used in investing activities		(644,679)	(605,603)
Net (decrease)/increase in cash and cash equivalents		(828,052)	15,814
Cash and cash equivalents at 1 July		5,108,316	5,101,831
Effects of exchange rate changes on cash and cash equivalents	7	(14,976)	(9,329)
<b>Cash and cash equivalents at 30 June</b>		<b>4,265,288</b>	<b>5,108,316</b>

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



## Consolidated Statement of Changes in Equity for the year ended 30 June 2023

Jcurve Solutions Limited

	Consolidated (\$)			
	Share Capital	Accumulated Losses	Reserves	Total
<b>As at 1 July 2021</b>	17,586,326	(14,201,166)	1,689,266	5,074,426
Total loss for the year	-	(66,390)	-	(66,390)
Other comprehensive income (exchange differences on translation of foreign operations)	-	-	(31,115)	(31,115)
	-	(66,390)	(31,115)	(97,505)
Transactions with owners in their capacity as owners:				
Issued rights under employee incentive scheme	-	-	24,528	24,528
Reclassification of expired options and performance rights	-	40,687	(40,687)	-
	-	40,687	(16,159)	24,528
<b>Balance at 30 June 2022</b>	<b>17,586,326</b>	<b>(14,226,869)</b>	<b>1,641,992</b>	<b>5,001,449</b>
<b>As at 1 July 2022</b>	17,586,326	(14,226,869)	1,641,992	5,001,449
Total loss for the year	-	(340,875)	-	(340,875)
Other comprehensive income (exchange differences on translation of foreign operations)	-	-	78,606	78,606
	-	(340,875)	78,606	(262,269)
Transactions with owners in their capacity as owners:				
Issued rights under employee incentive scheme	-	-	(7,783)	(7,783)
	-	-	(7,783)	(7,783)
<b>Balance at 30 June 2023</b>	<b>17,586,326</b>	<b>(14,567,744)</b>	<b>1,712,815</b>	<b>4,731,397</b>

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

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## Notes to the Financial Statements

### Note 1: Significant Changes In The Current Reporting Period

The financial position and performance of the group was particularly affected by the following factors, events and transactions during the reporting period:

- 1) Strong customer retention rates from the established Australia and New Zealand ERP division;
- 2) Stabilising customer churn from our Telecommunication Expense Management solutions;
- 3) Further development of the Quicta Service Management Platform and slower than expected progress in building up a recurring customer base;

A more detailed outline about the Group's performance and financial position is included in the Directors Report operating and financial review on page 8.

### Note 2: Segment Reporting

#### (a) Accounting policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors and Executive Management Team of Jcurve Solutions.

#### (b) Description of segments

AASB 8 Operating Segments requires operating segments to be identified on the basis of internal reports about the components of the Group that are reviewed by the chief operating decision maker in order to allocate resources to the segment and assess its performance.

Jcurve Solutions sells a portfolio of solutions and derives its revenues and profits from a variety of sources.

The Board and Executive Management Team for the year ended 30 June 2023, considered the business from a product perspective and identified five reportable segments:

- **ERP – ANZ:** ERP cloud-based Business Management solutions and associated consulting services sold to Australian and New Zealand customers; and
- **ERP – Asia:** ERP cloud-based Business Management solutions and associated consulting services sold to Southeast Asia customers; and
- **TEMS** – The continued sale of Telecommunications Expense Management Solutions (JTEL, Phoneware and Full Circle Group) to Australian customers; and
- **Quicta** – The development and sale of service management and scheduling software; and
- **Dygiq** – Providing digital marketing services to customers in South East Asia.

The group/head office is a cost centre and is not a reportable operating segment. The results of its operations are included in the unallocated column in the segment information below.

The Group operates in two geographical segments being Australasia (Australia and New Zealand) along with Southeast Asia.

The Group reports internally on the assets and liabilities of the Group on a consolidated basis.

No customers comprise more than 10% of the Group's total recognised revenue in FY2023.

**(c) Segment information provided to the chief operating decision maker**

The segment information provided to the Board and the Executive Management Team for the reportable segments for the year ended 30 June 2023 (including the comparative 2022 period) is as follows:

<b>Year ended 30 June 2023</b>	<b>ERP - ANZ</b>	<b>TEMS</b>	<b>Quicta (i)</b>	<b>ERP - Asia</b>	<b>Dygiq</b>	<b>Unallocated</b>	<b>Total (ii)</b>
Total revenue	11,423,014	1,046,279	309,838	2,944,115	673,892	-	16,397,138
Total cost of sales	(1,272,532)	-	4,491	(287,123)	(558,112)	-	(2,113,276)
Other income	32	24,487	3,849	35,692	-	25,466	89,526
Total expenditure excluding cost of sales	(5,377,583)	(932,010)	(971,164)	(2,560,313)	(359,691)	(3,881,893)	(14,082,654)
<b>Total profit/(loss) before tax</b>	<b>4,772,931</b>	<b>138,756</b>	<b>(652,986)</b>	<b>132,371</b>	<b>(243,911)</b>	<b>(3,856,427)</b>	<b>290,734</b>
<b>Year ended 30 June 2022</b>	<b>ERP - ANZ</b>	<b>TEMS</b>	<b>Quicta (i)</b>	<b>ERP - Asia</b>	<b>Dygiq</b>	<b>Unallocated</b>	<b>Total (ii)</b>
Total revenue	10,244,806	1,328,557	180,833	2,570,107	944,740	-	15,269,043
Total cost of sales	(1,140,502)	-	(52,513)	(446,849)	(589,581)	-	(2,229,445)
Other income	350	259,043	2,874	219,886	9,550	-	491,703
Total expenditure excluding cost of sales	(4,826,455)	(1,009,544)	(1,094,874)	(2,570,774)	(532,479)	(3,081,930)	(13,116,056)
<b>Total profit/(loss) before tax</b>	<b>4,278,199</b>	<b>578,056</b>	<b>(963,680)</b>	<b>(227,630)</b>	<b>(167,770)</b>	<b>(3,081,930)</b>	<b>415,245</b>

(i) All costs associated with the Quicta development of the platform and solution have been expensed.

(ii) With the exception of Australia (ERP - ANZ, TEMS and Quicta combined), the revenue of each individual country is less than 10% of the total revenue of the Group in FY2023. Therefore, revenue for each individual country has not been disclosed.

## Note 3: Revenues And Other Income

	Consolidated (\$)	
	2023	2022 (****)
<b>Revenue</b>		
Enterprise Resource Planning (ERP) solutions:		
- JCurveERP and NetSuite (Australasia) – Over the contract period (****)	3,232,835	3,185,026
- JCurveERP and NetSuite (Australasia) – Point in time (****)	8,190,179	7,059,780
- NetSuite (South East Asia) – Over the contract period (****)	1,601,196	1,441,790
- NetSuite (South East Asia) – Point in time (****)	1,342,919	1,128,317
Telecommunications expense management solutions – Over the contract period	1,046,279	1,328,557
Quicta solutions – Over the contract period	309,838	180,833
Digital marketing services – Over the contract period	673,892	944,740
	16,397,138	15,269,043
<b>Other Income</b>		
JobSaver subsidy (*)	-	250,476
Government subsidy (**)	27,640	-
Gain on bargain purchase (***)	-	143,310
Interest income	24,685	7,309
Sundry Income	37,251	90,608
	89,576	491,703

(\*) \$250,476 of government subsidies from the JobSaver Payment were received and recognised in Financial Year 2022.

(\*\*) \$27,640 of government subsidies were received and recognised in Financial Year 2023 from Jcurve Solutions Singapore business operations.

(\*\*\*) Gain from the bargain purchase arose on the purchase of Rapid E-Suite Thailand.

(\*\*\*\*) Prior year comparative balances have been restated to align with the current year presentation.

### (1) Accounting policy

#### Revenue recognition

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step process outlined in AASB 15 which is as follows:

- Step 1:** Identify the contract with a customer;
- Step 2:** Identify the performance obligations in the contract;
- Step 3:** Determine the transaction price;
- Step 4:** Allocate the transaction price to the performance obligations;
- Step 5:** Recognise revenue as the performance obligations are satisfied.

## Notes to the Financial Statements (Continued)

(i) Enterprise Resource Planning (ERP) solutions - JCurveERP and NetSuite (Australasia and South East Asia)

### JCurveERP Edition – implementation of JCurveERP and JCurveERP software licenses

The Group has contracts with some customers to implement and organise the transfer of JCurveERP licenses. The licensed software is required to be substantially customised to enable it to interface with the customer's existing software systems. As the JCurveERP licensed software is significantly modified and customised as part of the implementation process, which can only be performed by a Group consultant as the JCurveERP is unique to the Group, it is not a distinct performance obligation. Therefore, there is only one performance obligation, being the sale of a functional and integrated software system. The transaction price, which is at a fixed price, is defined in the contract. Revenue is recognised over the period of the project's implementation as the Group's performance enhances an asset – being the existing software system – that the customer controls. Revenue is recognised using an input method, based on the number of labour hours incurred on the project to date as a percentage of total expected contracted hours, to the extent that the Group can reasonably measure its progress towards complete satisfaction of the performance obligation.

Where JCurveERP licenses to the JCurveERP are renewed or additional licenses sold after the implementation is complete, revenue is recognised at the point in time at which the license is granted to the customer with the contract start date specified on the customers renewal contract.

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### NetSuite Edition – Reseller of software licenses

The Group is an authorised reseller of NetSuite software licenses. The Group does not obtain control of these licenses and as such, is the agent in these arrangements. The NetSuite edition is not unique to the Group and the implementation can be performed by multiple parties, making the license commission earned and implementation process separate performance obligations. Revenue for the NetSuite edition licenses, is recognised at a net amount, being the commission earned, at the point in time when the customers NetSuite the license has been configured and operating as contractually agreed which is at the point in time that the implementation is go live ready.

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### Service Revenue

The performance obligation for NetSuite edition implementations and service upsells for both JCurveERP and NetSuite edition customers is the delivery of contracted service hours. The performance obligation is satisfied progressively as the services are delivered to the customer. The total contract revenue is fixed and in line with a signed contract. Revenue is recognised using an input method, based on the number of labour hours incurred on the project to date as a percentage of total expected contracted hours.

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### Support

Customers have the option to purchase support services at their stand-alone selling prices, for a fixed period of time. These additional support services, if purchased, are a separate performance obligation to the implementation and licenses and are recognised over time as the customer receives and consumes the benefit. Revenue is recognised using an output method, being the total days elapsed relative to the total contracted support period.

The Group has contracts with customers where its performance obligation is to provide telephone expense management services. The transaction price, which is at a fixed price, is defined in the contract. Revenue is recognised over time as the customer receives and consumes the benefit. Revenue is recognised using an output method, being total days elapsed relative to the total contracted period.

## Notes to the Financial Statements (Continued)

### *(ii) Telecommunications expense management solutions*

The Group has contracts with customers where its performance obligation is to provide telephone expense management services. The transaction price, which is at a fixed price, is defined in the contract. Revenue is recognised over time as the customer receives and consumes the benefit. Revenue is recognised using an output method, being total days elapsed relative to the total contracted period.

### *(iii) Quicta solutions*

#### **Subscription License Revenue**

The Group offers Software-as-a-Service through its proprietary software, Quicta. Revenue is recognised over time as the customer receives and consumes the benefit through its use of the Quicta platform. Revenue is recognised using an output method, being total days elapsed relative to the total contracted period of use.

In respect of all sales, where consideration is received upfront, it is initially recognised as a contract liability and only recognised in revenue as or when the performance obligation is satisfied.

#### **Service Revenue**

The performance obligation for Quicta customers is the delivery of contracted service hours. The performance obligation is satisfied progressively as the services are delivered to the customer. The total contract revenue is fixed and in line with a signed contract. Revenue is recognised using an input method, based on the number of labour hours incurred on the project to date as a percentage of total expected contracted hours.

### *(iv) Digital marketing services*

#### **Service Revenue**

The Group has contracts with customers where its performance obligation is to provide digital marketing and event based projects. The transaction price, which is at a fixed price, is defined in the contract. Revenue is recognised over time as the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date. Revenue is recognised using an output method, being the total days elapsed relative to the total contracted project period.

In addition to contracts with customers, the Group receives interest income from monies held in its bank accounts. Interest income is recognised on an accruals basis based on the interest rate, deposited amount and time which lapses before the reporting period end date.

## **(2) Significant accounting judgments, estimates and assumptions: Revenue recognition**

### *(i) Identification of performance obligations*

The identification of performance obligations for the various revenue streams for the Group are in accordance with the revenue recognition criteria outlined in Note 3 (1) above.

### *(ii) Satisfaction of performance obligations*

The performance obligations for the various revenue streams for the Group are satisfied in accordance with the revenue recognition criteria outlined in Note 3 (1) above

## Note 4: Expenses

	Consolidated (\$)	
	2023	2022
Employee benefits expense	8,519,157	8,500,505
Other employee related expense – superannuation	330,823	313,691
Other employee related expense – excluding superannuation	220,396	206,191
	551,219	519,882
Depreciation of plant and equipment	96,064	95,806
Depreciation of right of use asset	531,441	549,804
Amortisation of intangibles	630,663	440,389
	1,258,168	1,085,999
Directors' Fees (includes superannuation)	334,555	296,261
Consultancy Fees	1,217,934	940,296
Audit Fees	148,157	136,841
Company Secretarial Fees (includes fees paid to non-related parties overseas)	73,184	73,685
	1,773,830	1,447,083

**(1) Accounting policy****(i) Wages, salaries, annual leave and sick leave**

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for non-accumulating sick leave are recognised when the leave is taken and are measured at the rates paid or payable.

**(ii) Long service leave**

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.



## Note 5: Income Tax

	Consolidated (\$)	
	2023	2022
<b>Income tax recognised in profit or loss</b>	8,519,157	8,500,505
<i>The major components of tax benefit/(expense) are:</i>		
Current tax expense (i)	(458,748)	(622,493)
Origination and reversal of temporary differences	(247,386)	126,000
Under provision from prior years - current tax	74,525	14,858
<b>Total tax benefit/(expense) (i)</b>	<b>(631,609)</b>	<b>(481,635)</b>
<i>The prima facie income tax expense on pre-tax accounting profit from continuing operations reconciles to the income tax (benefit)/expense in the financial statements as follows:</i>		
Accounting profit before tax	290,734	415,635
Income tax expense calculated at 25% (2022: 25%)	(72,683)	(103,811)
Tax effect of amounts which are not taxable/ (deductible) in calculating taxable income:		
Permanent differences	(107,007)	(14,530)
Temporary differences	(9,213)	4,284
	<b>(116,220)</b>	<b>(10,246)</b>
Differences in overseas tax rates	(151,800)	(112,616)
Tax losses not recognised	(137,252)	(245,941)
Previously recognised tax losses no longer recognised	(228,179)	-
Under/ (over) provision in prior years	74,525	(9,021)
<b>Income tax benefit/(expense) reported in the Statement of Profit or Loss and other Comprehensive Income</b>	<b>(631,609)</b>	<b>(481,635)</b>

	Consolidated (\$)	
	2023	2022
<b>Deferred Taxes (Non-Current)</b>		
Analysis of deferred tax assets:		
Deductible temporary differences available to offset against future taxable income		
Deferred expenditure	242,786	177,414
Lease liabilities	251,657	368,690
Accruals and provisions	817,176	691,073
Tax losses available to offset against future taxable income	273,903	520,840
	<b>1,585,522</b>	<b>1,758,017</b>
Analysis of deferred tax liabilities:		
Plant and equipment	15,630	14,833
Deferred license revenue	918,454	864,946
Right-of-use asset	525,170	495,805
Other	52,192	60,970
	<b>1,511,446</b>	<b>1,436,554</b>
<b>Net Deferred Tax Asset/(Liability)</b>	<b>74,076</b>	<b>321,463</b>

## Notes to the Financial Statements (Continued)

### (1) Accounting policy

#### (i) Income tax

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance date.

Deferred income tax is provided on all temporary differences at the balance date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:

- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint ventures, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each balance date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each balance date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

## Notes to the Financial Statements (Continued)

### (ii) Other taxes

Revenues, expenses and assets are recognised net of the amount of Goods and Services Tax (GST) except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

### (2) Significant accounting judgments, estimates and assumptions: Recovery of deferred tax assets

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that sufficient future tax profits will be available to utilise those temporary differences. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits over future years together with future tax planning strategies.

### (3) Unrecognised deferred tax assets and deferred tax liabilities

The balance of carried forward tax losses that have not been recognised in the Financial Statements amount to \$2,554,559 (2022: \$1,413,014 unrecognised). The deductible temporary differences and tax losses do not expire under current legislation. Deferred tax assets totalling \$466,738 (2022: \$245,941) have not been recognised in respect of these items at this stage because it is not probable that future tax profits will be available against which the Group can utilise the benefits thereof.

There are no unrecognised deferred tax liabilities.

### (4) Tax Consolidation

Jcurve Solutions and its 100% owned Australian resident subsidiaries have implemented the tax consolidation legislation from 1 January 2014. The accounting policy for the implementation of the tax consolidation legislation is set out in note 5 (1) and below. Current and deferred tax amounts are accounted for in each individual entity as if each entity continued to act as a taxpayer on its own.

The Australian entities in the tax consolidated group have entered into a tax sharing agreement on adoption of the tax consolidation legislation which, in the opinion of the directors, limits the joint and several liability of the controlled entities in the case of a default by the head entity, Jcurve Solutions.

Jcurve Solutions Limited recognises its own current and deferred tax amounts and those current tax liabilities, current tax assets and deferred tax assets arising from unused tax credits and unused tax losses which it has assumed from its controlled entities within the tax consolidated Group.

## Notes to the Financial Statements (Continued)

Jcurve Solutions and its controlled entities have entered into a tax funding agreement under which the 100% owned Australian resident subsidiaries compensate Jcurve Solutions for all current tax payable assumed and are compensated by Jcurve Solutions for any current tax receivable and deferred tax assets which relate to unused tax credits or unused tax losses that, under the tax consolidation legislation, are transferred to Jcurve Solutions. These amounts are determined by reference to the amounts which are recognised in the financial statements of each entity in the tax consolidated group.

The amounts receivable/ payable under the tax funding agreement are due on receipt of the funding advice from Jcurve Solutions, which is issued as soon as practicable after the financial year end. Jcurve Solutions may also require payment of interim funding amounts to assist with obligations to pay tax instalments. These amounts are recognised as current intercompany receivables or payables.

Assets or Liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts payable or receivable from or payable to other entities in the Group. Any difference between the amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) controlled entities in the tax consolidated Group.

Jcurve Solutions Asia Pte Ltd is a tax resident entity of Singapore and current and deferred tax amounts are accounted for the company based on Jcurve Solutions Asia Pte Ltd as a taxpayer on its own in Singapore.

Jcurve Solutions Philippines Inc. is a tax resident entity of the Philippines and current and deferred tax amounts are accounted for the company based on Jcurve Solutions Philippines Inc. as a taxpayer on its own in the Philippines.

### NOTE 6: EARNINGS/(LOSS) PER SHARE

	Consolidated (\$)	
	2023 (\$)	2022 (\$)
Earnings used for calculation of basic and diluted earnings per share		
Loss from operations - basic earnings per share	(340,875)	(66,390)
Loss from operations - diluted earnings per share	(340,875)	(66,390)
	No.	No.
Weighted average number of shares used for calculation of basic and diluted EPS		
Weighted average number of shares	328,343,439	328,343,439
	Cents per share	Cents per share
Earnings/(loss) used for calculation of basic and diluted earnings per share		
Basic earnings/(loss) per share (cents per share)	(0.10)	(0.02)
Diluted earnings/(loss) per share (cents per share)	(0.10)	(0.02)

#### (1) Accounting policy

Basic earnings per share is calculated as net profit/loss attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit/loss attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;

- the after-tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

**Note 7: Cash And Cash Equivalents**

	<b>Consolidated (\$)</b>	
	<b>2023</b>	<b>2022</b>
Cash at bank and on hand	4,265,288	5,108,316
	4,265,288	5,108,316

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

At 30 June 2023, the Group has no committed borrowing facilities.

	<b>Consolidated (\$)</b>	
	<b>2023</b>	<b>2022</b>
<b>Reconciliation of loss for the year after tax to net cash flows from operating activities</b>		
Loss for the year	(340,875)	(66,390)
Non-cash flows in operating loss:		
Depreciation and amortisation from continuing operations	1,258,168	1,085,999
Equity settled share-based payment	(7,783)	24,528
(Increase)/decrease in assets:		
Trade and other receivables	531,165	(751,256)
Contract assets	251,020	(1,710,363)
Other current assets	39,089	(95,281)
Other financial assets	7,860	(20,630)
Deferred tax assets	172,495	(189,169)
Increase/(decrease) in liabilities:		
Trade and other payables – Current	(1,215,676)	1,438,390
Unearned revenue	(485,605)	1,175,395
Current Tax Liabilities	(453,968)	(13,256)
Provisions – Current	4,885	109,790
Provisions – Non-current	18,393	(5,526)
Deferred tax liabilities	74,892	63,169
Net cash provided by or from operating activities	(145,940)	1,045,400

**(1) Accounting policy**

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

**Note 8: Trade And Other Receivables**

	<b>Consolidated (\$)</b>	
	<b>2023</b>	<b>2022</b>
Current:		
Trade receivables	1,388,544	1,920,444
Provision for expected credit loss (i)	(77,897)	(78,632)
	<b>1,310,647</b>	<b>1,841,812</b>

- (i) The average credit period on sales of goods and rendering of services is 30 days. An provision has been made for Estimated Credit Losses that might occur to the Trade Receivable balances arising from the past sale of goods and rendering of services. Refer to note 22(6) for ageing of receivables.

**(1) Accounting policy**

Trade receivables, which generally have 30-day terms, are recognised and carried at original invoice amount less an provision for Expected Credit Loss.

The Group's accounting policy includes the recognition of credit losses in the provision for expected credit loss under an expected credit loss (ECL) model. ECLs are a probability weighted estimates of credit losses which are discounted at the effective interest rate of the financial asset. Credit losses are measured as the present value of all cash shortfalls.

**(2) Provision for expected credit loss reconciliation**

The provision for expected credit loss was \$77,897 (2022: \$78,632). The movement in the provision for expected credit loss is as follows:

	<b>Consolidated (\$)</b>	
	<b>2023</b>	<b>2022</b>
At 1 July	78,632	44,779
Provision for expected credit loss recognised during the year	6,763	79,199
Receivables written off during the year as uncollectable	(7,498)	(45,346)
	<b>77,897</b>	<b>78,632</b>

**Note 9: Contract Assets**

	<b>Consolidated (\$)</b>	
	<b>2023</b>	<b>2022</b>
Contract commissions receivable (i)	1,243,479	1,238,710
Accrued revenue	1,010,463	1,232,657
Deferred expenditure	115,672	149,267
	<b>2,369,614</b>	<b>2,620,634</b>

- (i) There is no provision for expected credit loss in Contract Commissions Receivable.

**Note 10: Security Deposits**

	Consolidated (\$)	
	2023	2022 (*)
Rental bond	37,854	47,390
Term deposit	170,329	168,653
	208,183	216,043

(\*) Term deposits have been reclassified from other current assets to security deposits in the comparative 2022 balance.

**Note 11: Other Current Assets**

	Consolidated (\$)	
	2023	2022 (*)
Prepayments	442,670	500,910
Sundry debtors	93,294	74,144
	535,964	575,054

(\*) Term deposits have been reclassified from other current assets to security deposits in the comparative 2022 balance.

**Note 12: Plant And Equipment**

	Consolidated (\$)	
	2023	2022
Plant and equipment, at cost	596,458	547,399
Less accumulated depreciation	(487,742)	(390,978)
Net carrying amount	108,716	156,421
Leasehold improvements, at cost	2,740	2,740
Less accumulated depreciation	(2,740)	(2,740)
Net carrying amount	-	-
Make good assets, at cost	41,128	41,128
Less accumulated depreciation	(27,074)	(20,942)
Net carrying amount	14,054	20,186
<b>Total net carrying amount</b>	<b>122,770</b>	<b>176,607</b>

## Reconciliations:

Consolidated (\$)

Movements:	Plant & Equipment	Leasehold Improvements	Make Good Assets	Total
Net carrying amounts as at 30 June 2021	105,970	-	27,973	133,943
Disposals	-	-	-	-
Additions	127,923	-	13,083	141,006
Foreign currency revaluation	(2,758)	-	-	(2,758)
Depreciation charges	(74,712)	-	(20,872)	(95,584)
Net carrying amounts as at 30 June 2022	156,423	-	20,184	176,607
Disposals	-	-	-	-
Additions	37,883	-	-	37,883
Foreign currency revaluation	11,177	-	-	11,177
Depreciation charges	(96,765)	-	(6,132)	(102,897)
Net carrying amounts as at 30 June 2023	108,718	-	14,052	122,770

**(1) Accounting policy****(i) Cost**

Plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred.

**(ii) Depreciation**

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets.

Leasehold improvements are amortised over the period of the lease or the estimated useful life, whichever is the shorter, using the straight-line method. The following estimated useful lives are used in the calculation of depreciation and amortisation:

Plant and equipment    2 – 4 years

Leasehold improvements    1 – 6 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

**(iii) De-recognition and disposal**

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.



## Note 13: Intangible Assets

Year ended 30 June 2022	Licences (i)	Quicta Platform	Goodwill	Customer relationships (ii)	NetSuite customer contracts (ii)	Pistachio connector	Total
At 1 July 2021, net of accumulated amortisation and impairment	2,302,857	230,000	232,204	230,760	1,914	60,000	3,057,735
Additions	-	-	-	239,946	292,069	-	532,015
Amortisation	(38,381)	(120,000)	-	(116,007)	(146,001)	(20,000)	(440,389)
FX Revaluation	-	-	12,854	4,609	11,728	-	29,191
At 30 June 2022, net of accumulated amortisation and impairment	<b>2,264,476</b>	<b>110,000</b>	<b>245,058</b>	<b>359,308</b>	<b>159,710</b>	<b>40,000</b>	<b>3,178,552</b>
<b>Year ended 30 June 2023</b>							
At 1 July 2022 net of accumulated amortisation and impairment	2,264,476	110,000	245,058	359,308	159,710	40,000	3,178,552
Additions (ii)	-	-	-	-	-	-	-
Amortisation	(230,286)	(110,000)	-	(114,146)	(163,639)	(20,000)	(638,071)
FX Revaluation	-	-	16,477	18,849	10,738	-	46,064
At 30 June 2023, net of accumulated amortisation and impairment	<b>2,034,190</b>	<b>-</b>	<b>261,535</b>	<b>264,011</b>	<b>6,809</b>	<b>20,000</b>	<b>2,586,545</b>

**(i) License intangible asset**

The licenses intangible asset reflects the carrying value of the unimpaired amount paid for the purchase of the exclusive reseller agreement with NetSuite for the JCurveERP edition of the NetSuite software. This Agreement with NetSuite provides Jcurve Solutions with the exclusive selling rights for the JCurveERP edition of the NetSuite business software for an indefinite period and was the basis on which Interfleet Pty Ltd immediately became a five-star NetSuite partner on becoming a NetSuite Solution Provider in August 2016. The agreement was the basis from which the Company has built its ERP practice. The NetSuite JCurveERP reseller agreement provides that in the event of cancellation of the Agreement, the customers of Jcurve Solutions would be assigned to NetSuite and NetSuite would be required to pay Jcurve Solutions a royalty of 30% of the future revenue stream to NetSuite for a 3-year period which along with an increasing level of license commission and service revenue which is generated from the sale of NetSuite editions indicates that it is unlikely that there will be an impairment in future periods.

**(ii) License intangible asset**

On 9 July 2021, Jcurve Solutions Asia Pte Ltd, a 100% owned subsidiary of Jcurve Solutions Limited, purchased the business assets of Rapid E-Suite Pte Ltd's Thailand operations, a NetSuite Solution Provider in Thailand. The purchase price was allocated to customer contracts and customer relationships. The customer contracts intangible asset was assessed as having a useful live of 2 years and the customer relationships intangible assets was assessed as having a useful live of 7 years, both of which reflects the period in which the intangible assets are being amortised over on a straight-line basis.

## Notes to the Financial Statements (Continued)

### (1) Accounting policy

#### (i) Intangible assets – Licenses and other intangible assets

Intangible assets acquired separately or in a business combination are initially measured at cost. The cost of an intangible asset acquired in a business combination is its fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is charged against profits in the year in which the expenditure is incurred.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, which is a change in accounting estimate. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible asset.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the cash-generating unit level. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed each reporting period to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is accounted for as a change in an accounting estimate and is thus accounted for on a prospective basis.

### (2) Significant accounting judgments, estimates and assumptions

#### (i) Impairment of intangibles with indefinite useful lives

The Group determines whether goodwill and intangibles with indefinite useful lives are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the cash generating units to which the goodwill and intangibles with indefinite useful lives are allocated.

#### (ii) Useful life of NetSuite ERP Licenses – Australia

The Group has determined that the useful life of the ERP Licenses in Australia for NetSuite is 10 years. The ERP Licenses is to be amortised on a straight-line basis over the ten year period.

#### (iii) Useful life of the Quicta Platform

The Group has determined that the useful life of the Quicta Platform is 5 years with the useful life to be amortised on a straight-line basis over the five-year period.

### (3) Impairment testing of intangible assets with indefinite lives

#### (i) Goodwill

The goodwill balance was recognised on the acquisition of the Spectrum business in December 2018 and is allocated to the ERP Asia CGU.

The carrying value of the Goodwill balance increased to \$261,535 after revaluation from exchange rate movements. The carrying value of the Asia ERP Cash Generating Unit includes goodwill, the NetSuite customer contracts intangible asset, the customer relationships intangible asset in addition to an allocation of group non-current assets.

The recoverable amount of the Asia ERP Cash Generating Unit has been determined based on a value in use calculation using cash flow projections covering a 5-year period. The discount rate applied to the value in use calculations was 13.5% (2022: 12.5%). A long-term growth rate of 5% has been assumed as has a terminal value. Based on these value in use calculations, there is no impairment for the year ended 30 June 2023 (2022: nil).

Based on the value in use calculations prepared, even in the instance of a higher discount rate (at 16%) or lower long term growth rate (at 3%), the recoverable amount of the Cash Generating Unit exceeds the carrying value and an impairment expense would not be warranted.

**Note 14: Right of Use Assets**

	<b>Consolidated (\$)</b>	
	<b>2023</b>	<b>2022</b>
Buildings, at cost	2,034,546	1,894,240
Less accumulated depreciation	(1,138,989)	(543,781)
<b>Net carrying amount</b>	<b>895,557</b>	<b>1,350,459</b>
Office equipment, at cost	66,136	88,981
Less accumulated depreciation	(45,928)	(46,536)
<b>Net carrying amount</b>	<b>20,208</b>	<b>42,445</b>
<b>Total net carrying amount</b>	<b>915,765</b>	<b>1,392,904</b>

**Reconciliations:**

<b>Movements:</b>	<b>Buildings</b>	<b>Office equipment</b>	<b>Total</b>
Net carrying amounts as at 1 July 2021	1,647,443	71,784	1,719,227
Disposals	223,481	-	223,481
Additions	-	-	-
Depreciation charges	(520,465)	(29,339)	(549,804)
<b>Net carrying amounts as at 30 June 2022</b>	<b>1,350,459</b>	<b>42,445</b>	<b>1,392,904</b>
Net carrying amounts as at 1 July 2022	1,350,459	42,445	1,392,904
Disposals	-	(192)	(192)
Additions	140,306	-	140,306
Depreciation charges	(595,208)	(22,045)	(617,253)
<b>Net carrying amounts as at 30 June 2023</b>	<b>895,557</b>	<b>20,208</b>	<b>915,765</b>

**(1) Accounting policy**

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Group has elected not to recognise a right-of-use asset for all short-term leases with terms of 12 months or less and leases of low-value assets. Where applicable, lease payments on these assets are expensed to profit and loss as incurred. In FY2023, \$2,027 of lease payments were directly expensed to profit and loss.

## Note 15: Trade and other Payables

	Consolidated (\$)	
Current:	2023	2022
Trade payables (i)	1,033,511	1,589,782
Other payables	719,720	1,173,551
Accrued expenses	643,158	1,021,107
	<b>2,396,389</b>	<b>3,784,440</b>

(i) Trade payables are non-interest bearing and are normally settled on 30-day terms. Information regarding the effective interest rate and credit risk of current payables is set out in Note 21.

**(1) Accounting policy**

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services. Trade and other payables are presented as current liabilities unless payment is not due within 12 months.

## Note 16: Contract Liabilities - Unearned Revenue

	Consolidated (\$)	
Current:	2023	2022
Enterprise Resource Planning (ERP) solutions – JCurveERP and NetSuite (Australasia) (1)	1,952,782	2,291,222
Enterprise Resource Planning (ERP) solutions – NetSuite (South East Asia)	1,016,432	1,108,069
Telecommunications expense management solutions	136,561	195,689
Dygiq	42,812	-
Quicta solutions	61,716	173,560
	<b>3,210,303</b>	<b>3,768,540</b>
<b>Non-Current:</b>		
Enterprise Resource Planning (ERP) solutions – JCurveERP and NetSuite (Australasia)	278,361	194,661
Enterprise Resource Planning (ERP) solutions – NetSuite (South East Asia)	524	6,627
Telecommunications expense management solutions	557	-
Quicta solutions	18,940	24,462
	<b>298,382</b>	<b>225,750</b>
<b>Total contract liabilities - unearned revenue</b>	<b>3,508,685</b>	<b>3,994,290</b>

**Reconciliations:**

<b>Movements:</b>	<b>2023</b>	<b>2022</b>
Opening balance	3,994,290	2,818,895
Addition: new projects	3,393,526	3,742,640
Less: revenue recognised	(3,879,131)	(2,567,245)
Closing balance	3,508,685	3,994,290

**(1) Accounting policy**

Contract liabilities - unearned revenue represents consideration received, for which the Group is yet to satisfy its performance obligation. It is recognised as revenue in line with the revenue recognition policy outlined in note 3. Unearned revenue is presented as a current liability unless the performance obligations associated with the revenue will be satisfied in greater than 12 months.

**Note 17: Lease Liabilities**

	<b>Consolidated (\$)</b>	
	<b>2023</b>	<b>2022</b>
<b>Current:</b>		
Lease liabilities	503,246	498,027
<b>Non-Current:</b>		
Lease liabilities	503,380	976,733
Total lease liabilities	1,006,626	1,474,760

**Reconciliations:**

<b>Movements:</b>	<b>2023</b>	<b>2022</b>
Opening balance	1,474,760	1,777,572
Gross lease repayments	(561,585)	(606,903)
Interest expense of lease	83,094	80,065
Additions	-	222,662
FX differences	10,357	1,364
Closing balance	1,006,626	1,474,760

**(1) Accounting policy**

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate

used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

The Group has elected not to recognise a lease liability for all short-term leases with terms of 12 months or less and leases of low-value assets. Where applicable, lease payments on these assets are expensed to profit or loss as incurred. In FY2023, \$2,207 (FY2022 \$4,000) of lease payments were directly expensed to profit and loss.

#### Note 18: Provisions

	Consolidated (\$)	
	2023	2022
<b>Current:</b>		
Annual leave	480,671	520,047
Long service leave	79,880	35,620
	560,551	555,667
<b>Non-Current:</b>		
Make good provision	62,941	57,920
Long service leave	87,065	73,693
	150,006	131,613
<b>Total Provisions</b>	<b>710,557</b>	<b>687,280</b>

#### (1) Accounting policy

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

When the Group expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the Statement of Profit or Loss and Other Comprehensive Income net of any reimbursement.

Provisions are measured at the present value or management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. The current pre-tax rate used for discounting purposes is 2.73% (2022: 2.73%).

When discounting is used, the increase in the provision due to the passage of time is recognised as an interest expense.

#### Note 19: Share Capital

	Consolidated (\$)	
	2023	2022
Ordinary shares issued and fully paid (i)	17,380,969	17,380,969
Unissued shares	205,357	205,357
	17,586,326	17,586,326

(i) Fully paid ordinary shares carry one vote per share and carry the right to dividends.

	No.	\$
Movement in ordinary shares on issue		
<b>At 1 July 2021</b>	328,343,439	17,380,969
Movement	-	-
<b>At 30 June 2022</b>	328,343,439	17,380,969
Movement	-	-
<b>At 30 June 2023</b>	328,343,439	17,380,969

### (1) Accounting policy

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a new business are not included in the cost of acquisition as part of the purchase consideration.

#### Note 20: Reserves

	Consolidated (\$)	
	2023	2022
<b>Equity Benefits Reserve</b>		
Balance at the start of the year	7,783	23,942
Reclassification of expired options and performance rights	(7,783)	(40,687)
Issued rights under Employee Incentive Scheme	-	24,528
Balance at the end of the year	-	7,783

	Consolidated (\$)	
	2023	2022
<b>Share Premium Reserve</b>		
Balance at the start of the year	1,723,013	1,723,013
Movement during the year	-	-
Balance at the end of the year	1,723,013	1,723,013

	Consolidated (\$)	
	2023	2022
<b>Foreign Currency Translation Reserve</b>		
Balance at the start of the year	(88,804)	(57,689)
Currency translation differences arising during the year	78,606	(31,115)
Balance at the end of the year	(10,198)	(88,804)
<b>Total Reserves</b>	<b>1,712,815</b>	<b>1,641,992</b>

### (1) Accounting policy

The Group provides benefits to employees (including senior executives) of the Group in the form of share-based payments, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

## Notes to the Financial Statements (Continued)

The cost of these equity-settled transactions with employees is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using the Black- Scholes model, further details of which are given in Note 27(i).

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Jcurve Solutions Limited (market conditions) if applicable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (the vesting period).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

- (i) the extent to which the vesting period has expired and;
- (ii) the Group's best estimate of the number of equity instruments that will ultimately vest.

No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date. The Statement of Profit or Loss and Other Comprehensive Income charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any modification that increases the total fair value of the share-based payment arrangement, or is otherwise beneficial to the employee, as measured at the date of modification.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. However, if a new award is substituted for the cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

The dilutive effect, if any, of outstanding options is reflected as additional share dilution in the computation of earnings per share (see Note 6).

### **(2) Significant accounting judgments, estimates and assumptions: Share based payment transactions**

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by an external valuer using a Black - Scholes model, using the assumptions as detailed in the notes to the financial statements.

### **Note 21: Critical Judgements, Estimates and Assumptions**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.



**(1) Revenue recognition - Identification and satisfaction of performance obligations**

Judgement is required as to whether revenue is recognised over time or at a point in time.

Further details on the policy and factors impacting the Group's revenue streams is outlined in note 3.

**(2) Impairment of intangibles***(i) Impairment of non-financial assets other than goodwill and other indefinite life intangible assets*

The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating internal and external factors which impact a cash generating unit that may lead to impairment. If an impairment trigger exists, the recoverable amount of the cash generating unit is determined. This involves value-in-use calculations, which incorporate a number of key estimates and assumptions.

Refer to note 13 for further details.

*(ii) Impairment of goodwill*

The Group assesses impairment of goodwill and other indefinite life intangible assets annually by performing a value in use calculation, which incorporate a number of key estimates and assumptions.

**Note 22: Financial Instruments And Risk Management****(1) Capital risk management**

Capital risk is managed and monitored by liaising with banks and communicating with shareholders. Jcurve Solutions considers new government legislation and monitors the market place by canvassing information from stockbrokers and investors.

When managing capital, management's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity. Management adjust the capital structure as necessary to take advantage of favourable costs of capital or high returns on assets. As the market is constantly changing, management may change the amount of dividends to be paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

**(i) Categories of financial instruments**

	<b>Consolidated (\$)</b>	
	<b>2023</b>	<b>2022 (*)</b>
<b>Financial assets</b>		
Cash and cash equivalents	4,265,288	5,108,316
Trade and other receivables	1,310,647	1,841,812
Security deposits	208,183	216,043
<b>Financial liabilities</b>		
Trade and other payables	2,389,775	3,784,440
Lease liabilities	1,006,626	1,474,760

(\*) Term deposits have been reclassified from other current assets to security deposits in the comparative 2022 balance.

The Group has no derivative instruments in designated hedging relationships.

**(2) Financial Risk Management**

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are outlined above in the relevant note.

The Group's principal financial liabilities are trade payables and lease liabilities which arise during the course of operations. The Group has various financial assets such as trade receivables and cash and short-term deposits, which arise directly from its operations.

The Group's policy throughout 2023 has remained that no trading in derivatives shall be undertaken. The main risks arising from the Group's financial instruments are cash flow interest rate risk, liquidity risk, and credit risk. The Board of Directors reviews and agrees on policies for managing each of these risks which are summarised on the following pages.

**(3) Interest Rate Risk**

The following table sets out the carrying amount, by maturity, of the Group's financial instruments including those exposed to interest rate risk:

	<b>Consolidated (\$)</b>			
	Within 1 year	1 to 5 years	Total	Weighted average effective interest rate %
<b>Year ended 30 June 2023</b>				
<i>Financial assets</i>				
Non interest bearing:				
Trade and other receivables	1,310,647	-	1,310,647	
Security deposit – rental bond	37,854	-	37,854	
Other current assets	535,964	-	535,964	
	1,884,465	-	1,884,465	
Floating rate:				
Cash assets	4,265,288	-	4,265,288	0.68%
Security deposit – term deposit	170,328	-	170,328	2.25%
	4,435,616	-	4,435,616	
	6,320,081	-	6,320,081	
<i>Financial liabilities</i>				
Payables	2,389,775	-	2,389,775	
Lease liabilities	503,246	503,380	1,006,626	
	2,893,021	503,380	3,396,401	
<b>Year ended 30 June 2022</b>				
<i>Financial assets</i>				
Non interest bearing:				
Trade and other receivables	11,841,812	-	11,841,812	
Security deposit – rental bond	47,390	-	47,390	
Other current assets	575,053	-	575,053	
	2,464,255	-	2,464,255	
Floating rate:				
Cash assets	5,108,316	-	5,108,316	0.40%
Security deposit – term deposit	168,653	-	168,653	0.25%
	5,276,969	-	5,276,969	
	7,741,224	-	7,741,224	
<i>Financial liabilities</i>				
Payables	3,784,440	-	3,784,440	
Lease liabilities	498,027	976,733	1,474,760	
	4,282,467	976,733	5,259,200	

## Notes to the Financial Statements (Continued)

For all financial instruments, the net fair value approximates their carrying value.

No financial assets and financial liabilities are readily traded on organised markets in standardised forms.

Interest on financial instruments classified as floating rate is fixed at intervals of less than one year. The other financial instruments of the Group that are not included in the above tables are non-interest bearing and are therefore not subject to interest rate risk.

### Interest rate risk sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for its financial instruments at the reporting date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 50-basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the change in interest rates.

At reporting date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group's net profit before tax would increase by \$22,105 and decrease by \$10,165 respectively (2022: increase by \$26,385 and decrease by \$4,942). This is mainly attributable to the Group's exposure to interest rates on its variable rate cash deposits.

### (4) Price Risk – Equity and Commodity

The Group's exposure to commodity and equity securities price risk is minimal.

### (5) Foreign Currency Risk

The Group is exposed to foreign currency risk from movements in the Australian dollar relative to Singapore Dollar, Philippine Peso and US Dollar. Foreign currency risk arises from future transactions and recognizing assets and liabilities denominated in a currency that is not the Group's functional currency.

The Group seeks to limit its exposure to foreign currency risk, by maintaining bank accounts with DBS Bank denominated in Singapore Dollars and Union Bank denominated in Philippines Peso and US Dollars, so that income received from Asian customers is deposited and held in the overseas currency without the need to translate in multiple currencies.

The Group's exposure to foreign currency risk at the reporting date is as follows (in AUD translated balances):

	Consolidated (\$)	
Year ended	2023	2022
Cash and cash equivalents	548,514	570,410
Trade and other receivables	715,856	1,004,777
Security Deposits	33,398	47,390
Other current assets	138,109	210,735
<b>Total current assets</b>	<b>1,435,877</b>	<b>1,833,312</b>
Property, plant and equipment	96,311	139,972
Intangible assets	532,356	764,067
<b>Total non-current assets</b>	<b>628,667</b>	<b>904,039</b>
<b>Total Assets</b>	<b>2,064,544</b>	<b>2,737,351</b>
Trade and other payables	581,619	451,776
Unearned revenue	1,059,768	1,081,860
Provisions - current	196,391	227,325
<b>Total current Liabilities</b>	<b>1,837,778</b>	<b>1,760,961</b>
Deferred tax liability	85,503	80,116
<b>Total non-current liability</b>	<b>85,503</b>	<b>80,116</b>
<b>Total Liabilities</b>	<b>1,923,281</b>	<b>1,841,077</b>
<b>Net Assets</b>	<b>141,263</b>	<b>896,274</b>

For the year ended 30 June 2023, if the average exchange rate for AUD:SGD had been 10% lower or higher and all other variables were held constant, the Group's net profit before tax would decrease by \$54,989 and increase by \$44,991 respectively (2022: decrease by \$177,433 and increase by \$145,172).

For the year ended 30 June 2023, if the average exchange rate for AUD:PHP had been 10% lower or higher and all other variables were held constant, the Group's net profit before tax would decrease by \$105,188 and increase by \$86,063 respectively (2022: decrease by \$104,163 and increase by \$85,224).

For the year ended 30 June 2023, if the average exchange rate for AUD:THB had been 10% lower or higher and all other variables were held constant, the Group's net profit before tax would increase by \$66,784 and decrease by \$54,641 respectively.

## (6) Credit Risk

Credit risk arises from the financial assets of the Group, which comprise cash and cash equivalents, trade and other receivables. The Group's exposure to credit risk arises from potential default of the counter party, with a maximum exposure equal to the carrying amount of these instruments. Exposure at balance date is addressed in each applicable note.

The Group does not hold any credit derivatives to offset its credit exposure.

The Group trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Group's policy to securitise its trade and other receivables.

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation. Risk limits are set for each individual customer in accordance with parameters set by the board. These risk limits are regularly monitored.

Receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant.

At 30 June 2023, the ageing analysis of trade receivables is as follows:

	Consolidated Total \$	0-30 days \$	31-60 days \$	61-90 Days \$	+91 days \$
<b>2023</b>	1,388,544	710,364	414,358	34,218	229,604
<b>2022</b>	1,920,444	1,402,294	57,219	60,475	400,456

The receivables which are past due but not considered to have suffered an expected credit loss was \$263,821 (2022: \$454,145).

The provision for expected credit loss as at 30 June 2023 is \$77,897 (2022: \$78,632). The provision for expected credit loss included an estimate for ECL of \$77,897 (2022: \$71,523).

Other balances within trade and other receivables do not contain impaired assets and are not past due. It is expected that these other balances will be received when due.

## (7) Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the board of directors, who have built an appropriate liquidity risk management framework for the management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below analyses the Group's financial liabilities into relevant maturity groupings:

	Consolidated (\$)				
Contractual maturities of financial liabilities	Within 1 year	2 to 5 years	Over 5 years	Total Contractual Cash Flows	Carrying value
<b>Year ended 30 June 2023</b>					
Trade and other payables	2,389,775	-	-	2,389,775	2,389,775
Contract Liabilities - unearned revenue	3,210,303	298,382	-	3,508,685	3,508,685
Lease liabilities	572,232	532,299	-	1,104,531	1,006,626
<b>Total</b>	<b>6,172,310</b>	<b>830,681</b>	<b>-</b>	<b>7,002,991</b>	<b>6,905,086</b>

	Consolidated (\$)				
Contractual maturities of financial liabilities	Within 1 year	2 to 5 years	Over 5 years	Total Contractual Cash Flows	Carrying value
<b>Year ended 30 June 2022</b>					
Trade and other payables	3,784,440	-	-	3,784,440	3,784,440
Contract Liabilities - unearned revenue	3,768,540	225,750	-	3,994,290	3,994,290
Lease liabilities	564,053	1,046,285	-	1,610,338	1,474,760
<b>Total</b>	<b>8,117,033</b>	<b>1,272,035</b>	<b>-</b>	<b>9,389,068</b>	<b>9,253,490</b>

## Notes to the Financial Statements (Continued)

### Note 23: Contingencies

#### (1) Contingent Liabilities

The Group does not have any contingent liabilities.

### Note 24: Events Occurring After The Reporting Period

On the 27th of July 2023, the Directors of Jcurve Solutions declared a special fully franked dividend of 0.175 cents per ordinary share. The total value of the dividend to be paid is \$574,601.18. The record date of the dividend was the 14th of August 2023 with a payment date of the 5th of September 2023. The dividend has not been recognised as a liability as at 30 June 2023.

Since the end of the financial year, no other matters or circumstances have arisen that significantly affect, or may significantly affect:

- (a) the Group's operations in future financial years, or
- (b) the results of those operations in future financial years, or
- (c) the Group's state of affairs in future financial years.

### Note 25: Commitments

#### (1) Remuneration Commitments

There are no commitments for the payment of salaries and other remuneration under long-term employment contracts in existence at the reporting date.

#### (2) Lease Commitments

Lease commitments are outlined in note 17.

#### (i) Accounting policy - Leases

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of-use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

### Note 26: Statement of Significant Accounting Policies

#### (1) Basis of Preparation

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Accounting Standards and Interpretations and complies with other requirements of the law. The financial report also complies with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Jcurve Solutions Limited is a for-profit entity for the purposes of preparing the financial statements.

## Notes to the Financial Statements (Continued)

The accounting policies detailed below have been consistently applied to all years unless otherwise stated. The financial report is for the consolidated entity consisting of Jcurve Solutions Limited and its subsidiaries.

The financial report has also been prepared on a historical cost basis.

The financial report is presented in Australian dollars and all values are rounded to the nearest dollar.

### (2) Changes in accounting policies from new accounting

The Directors have reviewed all of the new and revised accounting standards and interpretations issued by the Australian Accounting Standards Board for annual reporting periods beginning or after 1 July 2022. It has been determined that none of the new accounting standards and interpretations adopted have a material impact on the Group's financial performance, position or disclosure.

At the date of authorisation of these financial statements, several new but not yet effective Standards and amendments to existing Standards and Interpretations have been published by the IASB. None of these Standards or amendments to existing Standards have been adopted early by the Group. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New Standards, amendments and Interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Group's financial statements.

### (3) Statement of Compliance standards and interpretations

The financial report was authorised for issue on 30 August 2023.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

### (4) Basis of Consolidation

The consolidated financial statements comprise the financial statements of Jcurve Solutions Limited and its subsidiaries as at 30 June each year.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The acquisition of subsidiaries has been accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results of subsidiaries for the period from their acquisition.

**Note 27: Share-Based Payment Plans****(i) Shares issued under Equity Incentive Plan****Performance Rights issued during the year ended 30 June 2023**

There were no performance rights issued during the year ended 30 June 2023.

**Performance Rights expiring during the year ended 30 June 2023**

During the year ended 30 June 2023, 2,600,000 performance rights (valued at \$27,449) lapsed under the plan due to the performance condition associated with the performance rights not being met.

The share-based payment expense is recognised in the Statement of Profit or Loss and Other Comprehensive Income evenly over the vesting period.

**Performance Rights issued during the year ended 30 June 2022**

There were no performance rights issued during the year ended 30 June 2022.

**Performance Rights expiring during the year ended 30 June 2022**

During the year ended 30 June 2022, 2,600,000 performance rights (valued at \$35,728) lapsed under the plan due to the performance condition associated with the performance rights not being met. 1,000,000 performance rights were forfeited under the plan due to resignation of the staff before vesting date resulting the service condition of the performance rights not being met.

The share-based payment expense is recognised in the Statement of Profit or Loss and Other Comprehensive Income evenly over the vesting period.

**Note 28: Remuneration of Auditors**

The auditor of Jcurve Solutions Limited (the Group) for the year ended 30 June 2023 and year ended 30 June 2022 is Grant Thornton Audit Pty Ltd.

	<b>Consolidated (\$)</b>	
	<b>2023</b>	<b>2022</b>
Auditors of the Group – Grant Thornton Audit Pty Ltd and related network firms		
Audit and review of financial statements		
Group (Grant Thornton Audit Pty Ltd)	127,533	109,500
Controlled entities (related network firms of Grant Thornton Audit Pty Ltd)	7,976	6,611
Total audit and review of financial statements	135,509	116,111
<b>Total services provided by Grant Thornton Audit Pty Ltd and related network firms</b>	<b>135,509</b>	<b>116,111</b>
Other auditors and their related network firms		
Audit and review of financial statements		
Controlled entities	12,648	13,651
<b>Total services provided by other auditors</b>	<b>12,648</b>	<b>13,651</b>

During the year ended 30 June 2023, local auditors in Singapore and Thailand were appointed to undertake the local subsidiary audits.



**Note 29: Related Party Transactions****(1) Subsidiaries**

The consolidated financial statements include the financial statements of Jcurve Solutions Limited and the subsidiaries listed in the following table.

Name	Country of Incorporation	% Equity Interest	
		2023	2022
Jcurve Business Software Pty Ltd	Australia	100	100
Fleet Manager Pty Ltd	Australia	100	100
Phoneware Pty Ltd	Australia	100	100
Interfleet Pty Ltd	Australia	100	100
The Full Circle Group Pty Ltd	Australia	100	100
JCS Tech Solutions Pty Ltd	Australia	100	100
Jcurve Solutions Asia Pte Ltd	Singapore	100	100
Jcurve Mobile Services Pty Ltd	Australia	100	100
Jcurve Solutions Philippines Inc	Philippines	100	100
Riyo Tech Solutions Pte Ltd	Singapore	100	100
Sumptuous Tech Holdings Pte Ltd	Singapore	100	100
Jcurve Solutions (Thailand) Co., Ltd	Thailand	100	-

Jcurve Solutions Limited is an Australian entity and the ultimate parent of the Group. Jcurve Business Software Pty Ltd, Fleet Manager Pty Ltd, Phoneware Pty Ltd, Interfleet Pty Ltd, The Full Circle Group Pty Ltd, Jcurve Mobile Services Pty Ltd and JCS Tech Solutions Asia Pte Ltd are all incorporated in Australia. Jcurve Solutions Asia Pte Ltd was incorporated on the 22nd of December 2016 and is domiciled in Singapore. Riyo Tech Solutions Pte Ltd and Sumptuous Tech Holdings Pte Ltd were incorporated on the 10th of February and the 5th of February 2020 and are both domiciled in Singapore. Jcurve Solutions (Thailand) Co., Ltd was incorporated on the 11th of November 2022 and is domiciled in Thailand.

**(2) Director and Key Management Personnel Compensation**

The aggregate compensation made to directors and other key management personnel of the Group is set out below:

	Consolidated (\$)	
	2023	2022
Short-term employee benefits	1,503,142	1,779,553
Post-employment benefits	122,089	107,324
Other long-term benefits	15,065	13,811
Share-based payments	6,977	24,528
<b>Total Compensation</b>	<b>1,647,273</b>	<b>1,925,216</b>

## Note 30: Parent Entity Financial Information

## Financial position

	2023	2022 (*)
<b>Assets</b>		
Current assets	40,097,859	38,753,813
Non-current assets	4,493,833	5,161,218
<b>Total assets</b>	<b>44,591,692</b>	<b>43,915,031</b>
<b>Liabilities</b>		
Current liabilities	43,691,159	37,027,860
Non-current liabilities	470,785	1,870,725
<b>Total liabilities</b>	<b>44,161,944</b>	<b>38,898,585</b>
Net Assets	429,748	5,016,446
<b>Equity</b>		
Issued capital	17,586,326	17,586,326
Accumulated losses	(18,887,589)	(14,308,673)
Reserves	1,731,011	1,738,793
<b>Total equity</b>	<b>429,748</b>	<b>5,016,446</b>

## Financial Performance

	Year ended 30 June 2023 \$	Year ended 30 June 2022 \$
Net loss for the year	(4,578,916)	(4,144,390)

(\*) Prior year comparative balances have been restated to align with the current year presentation.

## Directors' Declaration

In the opinion of the directors:

- (a) the financial statements and notes set out on pages 22 to 58 are in accordance with the *Corporations Act 2001*, including:
  - (i) complying with the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
  - (ii) giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial year ended on that date; and
- (b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Note 26(3) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by Section 295A of the *Corporations Act 2001*.

This declaration is signed in accordance with a resolution of the Board of Directors.



**Mark Jobling**  
Chairman

Dated 30 August 2023

**Grant Thornton Audit Pty Ltd**

Level 17  
383 Kent Street  
Sydney NSW 2000  
Locked Bag Q800  
Queen Victoria Building NSW  
1230

T +61 2 8297 2400

## Independent Auditor's Report

### To the Members of JCurve Solutions Limited

#### Opinion

We have audited the financial report of JCurve Solutions Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p><b>Revenue Recognition (Note 3)</b></p> <p>Revenue of \$16,397,138 has been recognised during the year ended 30 June 2023.</p> <p>The Group recognises revenue across six separate revenue streams: ERP implementation and project revenue, ERP licence revenue, technical support revenue, telecommunication expense management solutions revenue, Quicta software implementation revenue, and digital marketing services revenue. The revenue recognition process and policies differ for each stream depending on the nature of the products and services provided to the customer in accordance with <i>AASB 15: Revenue from Contracts with Customers</i>. Estimation and judgement are used regarding the timing and amount of revenue to be recognised.</p> <p>This area is a key audit matter due to the material nature of the balance, the volume of transactions, and the importance of the revenue balance to the current stakeholders.</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>• Assessing the revenue recognition policies for appropriateness and compliance with AASB 15, including reviewing their consistency with the prior period;</li> <li>• Testing a sample of revenue transactions for each revenue stream by tracing through to sales contracts and service agreements, assessing the identification of performance obligations, and evaluating the timing of revenue recognition;</li> <li>• Testing a sample of deferred revenue balances by tracing through to sales contracts and service agreements, assessing the identification of performance obligations, and evaluating the timing of revenue recognition;</li> <li>• Assessing whether revenue has been recognised in accordance with revenue recognition policies; and</li> <li>• Assessing the adequacy of related disclosures in the financial statements.</li> </ul>
<p><b>Recoverable amount of intangible assets (Note 13)</b></p> <p>As at 30 June 2023, the Group's intangible assets of \$2,586,545 consist of licences, software, goodwill, customer relationships, and NetSuite customer contracts.</p> <p>AASB 136 <i>Impairment of Assets</i> requires entities to assess at the end of each reporting period whether there is any indication that an asset or CGU may be impaired. The entity shall estimate the asset's or CGU's recoverable amount if any indication exists.</p> <p>AASB 136 requires that intangible assets with indefinite useful life and intangible assets not yet available for use must be tested for impairment annually. In addition, AASB 136 requires goodwill acquired in a business combination be allocated to each of the Group's cash-generating units (CGU). Each CGU to which goodwill has been allocated must be tested for impairment annually.</p> <p>Management has performed an analysis of the impairment indicators under AASB 136 and as result performed impairment tests by estimating their</p>	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> <li>• Obtaining management's assessment of impairment indicators under AASB 136 and reviewing for reasonableness;</li> <li>• Enquiring with management to obtain and document an understanding of their processes and controls related to the assessment of impairment, including identification of CGUs, allocation of assets, and the calculation of the recoverable amount for each CGU;</li> <li>• Obtaining and evaluating the value in use models against the requirements of AASB 136 and: <ul style="list-style-type: none"> <li>– Testing the mathematical accuracy;</li> <li>– Evaluating management's ability to perform accurate estimates by comparing historical forecasting to actual results;</li> <li>– Testing forecast cash inflows and outflows to be derived by the CGU's assets; and</li> <li>– Agreeing discount rates applied to forecast future cash flows;</li> </ul> </li> </ul>

recoverable amount using a value-in-use method for the following CGUs; ERP – AU, ERP Asia, and Digiq.

Many judgements and estimates are involved in determining the recoverable amount. These include, but are not limited to, forecasting future cash flows and applying an appropriate discount rate. Due to the required judgements and estimates, we have considered this a key audit matter.

- Performing sensitivity analysis on the significant inputs and assumptions made by management in preparing the calculation; and
- Assessing the adequacy of financial report disclosures.

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## Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of the Directors for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: [http://www.auasb.gov.au/auditors\\_responsibilities/ar1\\_2020.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf). This description forms part of our auditor's report.

## Report on the remuneration report

### Opinion on the remuneration report

We have audited the Remuneration Report included in pages 12 to 20 of the Directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of JCurve Solutions Limited, for the year ended 30 June 2023 complies with section 300A of the *Corporations Act 2001*.

### Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton

Grant Thornton Audit Pty Ltd  
Chartered Accountants



P J Woodley  
Partner – Audit & Assurance  
Sydney, 30 August 2023

## Shareholder Information

### (a) Distribution of ordinary shareholder numbers

Category	Holders	Units	Units as % of Issued Capital
1 - 1,000	72	6,369	0.00%
1,001 - 5,000	13	38,666	0.01%
5,001 - 10,000	48	424,793	0.13%
10,001 - 100,000	161	6,763,261	2.06%
100,001 - and over	131	321,110,350	97.80%
	<b>425</b>	<b>328,343,439</b>	<b>100.00%</b>

There are 142 shareholders that hold less than a marketable parcel as at 13 October 2023 with the share price at \$0.041.

### (b) Substantial shareholders

The names of the substantial shareholders listed in the Group's register as at 30 June 2023 and 13 October 2023 are outlined below, based on the shareholders last lodged Substantial Shareholder notice:

	30 June 2023		13 October 2023	
	Number of ordinary shares held	% held of ordinary share capital	Number of ordinary shares held	% held of ordinary share capital
Graham Baillie	83,124,215	25.35%	83,124,215	25.35%
Philip Ewart	60,856,140	18.53%	60,856,140	18.53%
Mark Jobling	50,704,301	15.47%	50,704,301	15.47%
Jacana Glen Pty Ltd	18,534,001	5.60%	18,534,001	5.60%

### (c) Voting rights

At members' meetings, each eligible voter (i.e. eligible member, proxy, attorney or representative of an eligible member) has one vote on a show of hands; and one vote on a poll (except where a share has not been fully paid, that share will only confer that fraction of one vote which has been paid, and if the total number of votes does not constitute a whole number, the fractional part of that total will be disregarded). This is subject to the following:

- Where any calls due and payable have not been paid;
- Where there is a breach of a restriction agreement;
- Where a member and their proxy or attorney are both present at the meeting, or if more than one proxy or attorney is present;
- Where a vote on a particular resolution is prohibited by the *Corporations Act 2001*, Listing Rules, ASIC or order of a Court.

### (d) Company secretary

The name of the company secretary is David Franks (Automic Pty Ltd).

### (e) Registered office

The address of the principal registered office in Australia is: c/- Automic Pty Ltd  
Deutsche Bank Building  
Level 5  
126 Phillip Street  
Sydney NSW 2000  
Ph. (02) 8072 1400

### (f) Register of securities

The registers of securities are held at the following address:

Automic Registry Services  
Level 5/126 Phillip St, Sydney NSW 2000  
1300 288 664 or +61 2 9698 5414



## Shareholder Information (Continued)

### (g) Top 20 Registered Holders – Ordinary Shares as of 13 October 2023

	Name	Number of Ordinary Shares	% of Ordinary Shares Held
1	MR GRAHAM ALEXANDER BAILLIE & MRS DARRELL BAILLIE < BAILLIE SUPERFUND A/C >	83,124,215	25.32%
2	MR MARK CHRISTOPHER JOBLING	48,399,564	14.74%
3	DR PHILIP GORDON WILSON EWART & MRS KYLIE EWART < EWART SUPER FUND A/C >	38,913,230	11.85%
4	JACANA GLEN PTY LTD < LARKING SUPER FUND NO 2 A/C >	19,034,001	5.80%
5	P EWART INVESTMENTS PTY LTD	15,669,219	4.77%
6	ROUND ETERNAL INVESTMENTS PTY LTD < VISION SPLENDID A/C >	6,000,000	1.83%
7	MR GREGORY PETER WILSON	5,736,576	1.75%
8	BENGER SUPERANNUATION PTY LIMITED < BENGER SUPER FUND A/C >	4,699,176	1.43%
9	MR DAVID JAMES FRANKS & MR WALTER GEORGE FRANKS < DELPHINI SUPER FUND A/C >	4,206,174	1.28%
10	DR PHILIP GORDON WILSON EWART	4,094,913	1.25%
11	MR NEIL WILSON EWART	4,050,000	1.23%
12	MS KYLIE LYNETTE NUSKE & MR MATTHEW JAMES COOK < VISION SPLENDID SUPER A/C >	4,000,000	1.22%
13	MR CHARLES BYRON ORAZIO SMITH	3,785,600	1.15%
14	BUFF HOLDINGS PTY LTD < BRUCE & EVE HATCHMAN SF A/C >	3,500,000	1.07%
15	MR STEPHEN CANNING	3,233,418	0.98%
16	EMERALD SHARES PTY LIMITED < EMERALD UNIT A/C >	3,100,000	0.94%
17	MR STEVEN GEORGE CARTER & MRS GAIL MAREE CARTER < S & G CARTER S/F A/C >	2,804,235	0.85%
18	POTENTATE INVESTMENTS PTY LTD < NORSTER FAMILY A/C >	2,798,614	0.85%
19	TRADINGWORXS PTY LTD < MARK STEMMER SUPER FUND A/C >	2,766,515	0.84%
20	MR PETER GRAHAM DORAN & MRS BARBARA LINDA DORAN < DORAN & SONS FAMILY A/C >	2,571,973	0.78%
<b>TOTAL HELD BY TOP 20 HOLDERS</b>		<b>262,487,423</b>	<b>79.94%</b>
<b>TOTAL HELD BY REMAINING SHAREHOLDERS</b>		<b>328,343,439</b>	<b>100.00%</b>

### (h) Stock exchange listing– ordinary shares (as of 30 June 2023)

Quotation has been granted for all the ordinary shares of the Company on the Australian Securities Exchange.

### (i) Restricted securities

As at 30 June 2023 and 13 October 2023 there are no restricted security classes recorded in the Company's share register.

### (j) Unquoted securities

There were no unquoted securities of the Company as at 13 October 2023.

### (k) Listing Rule 3.13.1 and 14.3

The Company advises that the Annual General Meeting (AGM) of the Company is currently scheduled for Wednesday 22 November 2023. Further details will be outlined in the Notice of Meeting.

Further to Listing Rule 3.13.1, Listing Rule 14.3, nominations for election of directors at the AGM must be received not less than 30 Business Days before the meeting, being no later than Wednesday 11 October 2023.

# CORPORATE INFORMATION

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## Directors

Mr Mark Jobling  
Mr Bruce Hatchman  
Mr Graham Baillie  
Mr Martin Green

## Company Secretary

Mr David Franks (Automic Pty Ltd)

## Registered office

c/- Automic Pty Ltd  
Deutsche Bank Building  
Level 5  
126 Philipp Street  
Sydney NSW 2000  
Ph. (02) 8072 1400

## Principal place of business in Australia

Level 8, 9 Help Street  
Chatswood  
New South Wales 2067

## Share Register

Automic Registry Services  
Deutsche Bank Building  
Level 5  
126 Phillip Street  
Sydney NSW 2000  
1300 288 664 or +61 2 9698 5414  
<https://www.automicgroup.com.au/contact-us/>

## Auditor - For the year ended 30 June 2023

Grant Thornton Audit Pty Ltd  
Level 17, 383 Kent Street  
Sydney NSW 2000

## Securities Exchange Listings

Australian Securities Exchange  
ASX Code: JCS

## Website address

[www.jcurvesolutions.com](http://www.jcurvesolutions.com)

## Key Dates

Annual General Meeting:  
22 November 2023