Jayex Technology Limited

ABN 15 119 122 477

ANNUAL REPORT
31 December 2022

Jayex Technology Limited
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Corporate directory
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Directors	Michael Boyd (Executive Chair till 26 October 2022 with subsequent appointment as Non-Executive Chair) Brian Renwick (Non-Executive Director) Nicholas Harper (Executive Director till 1 December 2022 with subsequent appointment as Non-Executive Director)
Registered office	Level 4 100 Albert Road South Melbourne VIC 3205
Principal place of business	17B Cribb Street Milton QLD 4064
Share register	Automic Level 5, 126 Phillip Street Sydney NSW 2000 Phone: 1300 288 664 (in Australia); +61 2 9698 5414 (international)
Auditor	William Buck Level 20, 181 William Street Melbourne VIC 3000
Solicitors	Steinepreis Paganin Level 4, 50 Market Street Melbourne VIC 3000
Stock exchange listing	Jayex Technology Limited shares are listed on the Australian Securities Exchange (ASX code: JTL)
Website	www.jayex.com.au

Jayex Technology Limited
Directors' report
31 December 2022

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'the Group') consisting of Jayex Technology Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the period ended 31 December 2022.

Directors
The following persons were Directors of Jayex Technology Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Michael Boyd (Executive Chair till 26 October 2022 with subsequent appointment as Non-Executive Chair)
Brian Renwick (Non-Executive Director)
Nicholas Harper (Executive Director till 1 December 2022 with subsequent appointment as Non-Executive Director)
Michael Chan (resigned as Non-Executive Director on 16 December 2022)

Principal activities
During the financial year the principal continuing activities of the consolidated entity consisted of the development and provision of healthcare industry service technologies.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the consolidated entity after providing for income tax amounted to $7,245,838 (31 December 2021: $3,924,342).

2022 update
The company’s revenue from (continuing and discontinued operations) was up from $4,125k in 2021 to $4,303k in 2022, representing a 4% increase.

More than 97% of the company’s revenue is currently generated in the UK, therefore the majority of this review will focus on UK operations; with some commentary on Australia and New Zealand operations presented at the end of the section.

Jayex Technology is a mature business in a saturated market. The vast majority of our revenue continues to be derived from our two core-product areas; patient check-in and patient calling. We are fortunate to have a very substantial customer base and are also unique in having a substantial share of the market in both product areas.

The mature nature of the market has both positive and negative consequences:

- Customer churn is very low, as the cost of switching suppliers is high compared to the perceived benefits. Therefore, barring freak conditions such as widespread closure of general practices due to a worldwide pandemic, our revenues are very stable.

- For the same reason, it is difficult to achieve material organic gains in market share without a well-executed, highly innovative sales and marketing strategy.

We are therefore able to maintain revenue levels from our core products with a low operating expense baseline. Any incremental operating expense should therefore only be committed when there is a compelling commercial case to do so, for example to generate material incremental revenue in the short term.

For the first three quarters of 2022 we did not adhere to this approach and this is reflected in our results, where it can be seen that we incurred significant operational expense without any corresponding increase in revenue. From Q4 and into 2023 we are now far more disciplined in ensuring we only invest incremental spend on activities that will generate clear commercial benefit.

We would like to clarify that the deficiencies in performance were not due to any lack of effort or commitment from Jayex colleagues and that the continued commitment to the business demonstrated by the team is a key factor that gives confidence in our ability to achieve ambitious profitable growth aspirations.

We completed an initial organisational restructuring at the beginning of 2023. This exercise included the elimination of a number of senior roles that are not required by the business at its current scale and stage of development. I am pleased to report that the restructuring also incorporated internal promotions for a number of high-performing team members. As we move forward, we will continue to review our resource requirements and will make changes as and when appropriate.

We have discontinued some elements of marketing expenditure, where it was observed that there was no material impact on sales performance.

We continue to invest in the ongoing development of our software portfolio. In 2022, we expensed more than $800k of development cost, however this did not generate any significant increase in revenue during the year. From Q4 we have changed our approach and have discontinued any development projects that do not have a clear, validated and compelling commercial justification.

An area where we have increased development activity from Q4 is in the continuing improvement of the resilience and robustness of our cloud-based products. The customer IT environments in which we operate our services are highly heterogeneous and typically not well set up nor maintained. Additionally, our products need to interact extensively with other third-party applications.

We have therefore had to engineer into our products the ability to tolerate technical problems and issues with other systems not within our control. Patient check-in, in particular, is a process that is susceptible to disruption by external systems. At the end of 2022, we were experiencing large numbers of support calls relating to the performance of our cloud check-in solution. As a result, we have committed significant support and development costs to address this.

Having now come through this problematic period to the point where we have very few issues with the cloud products, we believe that we are now in a much stronger position. We have seen a couple of competitors release check-in products during the year. These competitors will face exactly the same technical challenges that we have just dealt with, requiring them to either commit to extensive development costs or deliver a poor customer experience.

While it is too early to be certain, this may be the reason that we have recently received a number of significant orders from customers that had previously awarded contracts for the same services to one of the new entrants into the check-in market.

We treat the reliability of our core products is our highest priority, as this is the biggest determinant of whether we retain customers. As outlined above, while our customers continue to have a good experience with our products, they are very likely to renew their contracts.

Hardware remains a key enabler for our software products. At the end of 2022 we signed a contract with a specialist hardware installation partner, who now manages all of our warehousing and can provide customer installations across the whole UK on our behalf. This contract increases our installation capacity, thereby reducing our order-to-cash cycle time, in addition to delivering a reduction in our warehousing and unit installation costs.

We have maintained a very small team in Australia and New Zealand, as we review our options for these markets going forward.

We experienced some reliability issues with our Appointuit product towards the end of 2022, which has led to service disruption for some of our customers. In order to address this, we have invested additional support effort whilst we deliver a necessary refresh of the code base.

We are confident that the changes implemented in Q4 of 2022 leave us in a much stronger position to achieve profitable growth going into 2023.

Corporate
Mr Robert Hadley was appointed as Chief Executive Officer effective 3 October 2022. Nick Harper moved to an executive position within the company. Nick’s experience in software development has greatly enhanced the leadership capability of the company.

During the year the company disposed of its investment in Vitalhub. The company has also closed its operations at Whakaora Hou Limited during the year.

Since year end Mr Nathan Woodard resigned as Chief Financial Officer effective 31 January 2023.

Risks

Jayex Technology Ltd's operating and financial results and performance are subject to various risks and uncertainties, some of which are beyond Jayex's reasonable control. Set out below are matters which the Group has assessed as having the potential to have a material impact on its operating and/or financial results and performance:

(i) Events, such as a global/national pandemic, that resulted in prolonged closures of large numbers of general practices in the UK would reduce the usage of our software services, thereby increasing the risk of customers not paying for those services.

(ii) Key customer structure and changes in procurement approach: currently, the majority of our NHS customer contracts are at an individual practice level. The creation of NHS Integrated Care Systems and Integrated Care Boards could at some stage result in a change in procurement approach, for example a greater usage of competitive tendering. Such a change may then lead to increased competition, thereby presenting a risk to market share and achievable pricing levels.

(iii) Competition, innovation and developments; Jayex's growth strategy may be impacted by industry disruption, innovation, the actions of our competitors, the ability to identify future acquisitions or generate returns on developments.

(iv) Failure to attract and retain key employees: a failure to attract and retain key employees may lead to a loss of key knowledge and experience, thereby leading to the risk of a deterioration in the competitiveness of our products and services

Significant changes in the state of affairs
There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

Following material events have occurred subsequent to the year end:

(i) As announced on ASX on 31 January 2023, the company has signed a binding Term Sheet Agreement with Shine Clinical Ltd under which, subject to completion of due diligence processes and completion of formal documentation, the companies will operate a business via a joint venture arrangement that will provide services to:

- UK NHS customers in managing disease prevalence, ensuring patients get access to the appropriate treatments for their conditions.
- Enable UK pharmaceutical and medical device industry customers to achieve their market access strategies.

Jayex and Shine have agreed to bring their respective GP data analytical and revenue optimisation businesses together through the joint venture arrangement to realise the immediate synergy benefits from their complimentary and merged data analytical software programs and to develop new IP to increase the automation of the analytical processes. All IP developed by the joint venture business utilising Jayex's existing technology will be owned by Jayex. The joint venture will leverage the Jayex customer base and data integration capabilities along with Shine's healthcare data analytics intellectual property, to deliver services that are highly competitive and rapidly scalable. The joint venture will have sufficient operational capacity and financial standing to be able to credibly compete for and deliver large industry contracts.

The joint venture is structured with Shine issuing Jayex with ordinary shares so that Jayex is the holder 30% of the issued capital of Shine. The total consideration payable by Jayex, which is payable over nine milestones, for the Shine shares comprises cash of approximately A$133,000 and approximately 24.3 million shares in Jayex. Both components of the consideration (i.e. the cash and shares in Jayex), are subject to the successful satisfaction of a number of performance milestones by the joint venture business (which is to be operated by Shine). All milestones are required to be completed by 31 December 2023. Each milestone has both a minimum revenue target and gross margin target to ensure profitable contracts. As part of the joint venture, Jayex has agreed to exclusively source its clinical services from Shine for Jayex's business and the joint venture business. Shine has agreed to exclusively source its technical services and support from Jayex for Shine's business and the joint venture business.

(ii) On 2 March 2023, the company raised additional capital of $320,500 through placement of 32,050,000 shares to sophisticated and professional investors.

(iii) Shareholders at its General Meeting on 7 March 2023 approved the issuance of 207,692,307 Options towards the repayments of $2.7 million convertible notes and 42,307,693 Options towards the repayment of $555,000 loans, to Covenant Holding (WA) Pty Ltd. The transaction-based comparison table below sets out the impact of the above transaction on the consolidated entity as of 31 December 2022:

	Consolidated balance sheet as at 31 December 2022	**Transaction**	**Post transaction – Pro forma**	**Percentage increase/ decrease following the Transactions**
				%
Current assets	795,425	-	795,425	-
Non-current assets	1,504,654	-	1,504,654	-
Total assets	2,300,079	-	2,300,079	-
Liabilities				
Current liabilities	7,416,105	(3,255,000)	4,161,105	(44%)
Non-current liabilities	1,214,077	-	1,214,077	-
Total liabilities	8,630,182	(3,255,000)	5,375,182	(38%)
Net Liabilities	**(6,330,103)**	**3,255,000**	**(3,075,103)**	**(51%)**
Equity				
Issued capital	28,112,494	-	28,112,494	-
Reserves	(1,866,837)	3,255,000	1,388,163	(174%)
Accumulated losses	(32,575,760)	-	(32,575,760)	-
	(6,330,103)	**3,255,000**	**(3,075,103)**	**(51%)**

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

Likely developments and expected results of operations
Information on likely developments in the operations of the consolidated entity and the expected results of operations are as follows:

Our ultimate goal remains unchanged. Jayex seeks to create superior healthcare solutions that are user-friendly for patients, reliable and easy to maintain for healthcare professionals, offer good value for purchasers and provide long-term returns for our investors, while creating a Company culture that employees feel valued in and proud of.

We will do this by accelerating our development, as well as look to partners, collaborators and M&A opportunities to create a comprehensive end-to-end capability healthcare platform.

Jayex currently touches 50 million patients annually across these care markets. We will capitalise and utilise our installed base to deliver further and enhanced capability to these care markets through our comprehensive and growing end-to-end cloud-based platform. Our platform will provide everything from Appointment booking, Patient calling, Patient check-in, through to health messaging, self-care monitoring, script management, remote terminal dispensing of pharmaceutical and/or medical cannabis products and telehealth solutions.

Environmental regulation
The consolidated entity is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on Directors

Name:	Michael Boyd
Title:	Executive Chair till 26 October 2022 with subsequent appointment as Non-Executive Chair
Qualifications:	B. Comm (UWA) Grad. Dip App Fin
Experience and expertise:	Michael Boyd is the Chairman of the Company and has been involved since its inception in 2014. Based in Melbourne, he has led the corporate structuring of the Company and the development of the Group's strategic vision. On a practical level he has initiated contacts with all stakeholder groups including professional bodies, regulatory boards, wholesale distributors and pharmacy groups and individuals. Mr. Boyd has been involved in the creation of new enterprises, both in the private and public sectors, for over 27 years. Mr. Boyd has been successful in developing and growing new projects in diverse areas including healthcare, telecommunications and finance. Trained as a Chartered Accountant, he was a founding Director and Chairman of Sonic Healthcare Ltd, now an ASX listed top 50 company. After leaving Sonic he started Foundation Healthcare, growing it to over 800 healthcare professionals before it was acquired by Sonic. He was also a founding partner of Iridium Satellite bringing it out from bankruptcy to now a NASDAQ listed company.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	107,883,880 fully paid ordinary shares
Interests in options:	250,000,000 options

Name:	Brian Renwick
Title:	Non-Executive Director
Qualifications:	MBA, FCA, B. Bus. (Accounting) Monash
Experience and expertise:	Mr. Renwick is very broadly experienced across the pharmaceutical and healthcare sector in Australia. His involvement with sector commenced in finance roles that led into commercial analysis, marketing and sales. From this broad commercial experience in the manufacturing end of the supply chain he moved into the wholesaling with various business development roles in retail and hospital pharmacy. Mr Renwick's roles broadened into commercial and business development including as general manager for a corporate pharmacy business. He has completed two Business Development roles within the CSL Limited group. With his detailed commercial knowledge and broad experience across the healthcare sector, Brian has provided consulting advice to Jayex since 2006 and is an important member of the team.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chairman of Audit and Risk Committee, member of Remuneration and Nomination Committee
Interests in shares:	1,660,871 fully paid ordinary shares
Interests in options:	Nil

Name:	Nicholas Harper
Title:	Executive Director till 1 December 2022 with subsequent appointment as Non-Executive Director
Qualifications:	MSc Computing Science
Experience and expertise:	Nick has over thirty years' experience working in software development. During that time, he has worked in the public sector (local government), investment banking and the aviation sector in a wide variety of roles and with varied responsibilities. Nick has worked on implementing and maintaining many different types of software systems from batch valuation systems to real-time data processing. Based in the UK, Nick also has extensive experience of project management and software team building.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	Nil
Interests in options:	Nil

'Other current directorships' quoted above are current directorships for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

'Former directorships (last 3 years)' quoted above are directorships held in the last 3 years for listed entities only and excludes directorships of all other types of entities, unless otherwise stated.

Company secretary
Ms Melanie Leydin was appointed Company Secretary on 19 August 2015. Ms Leydin graduated from Swinburne University in 1997, became a Chartered Accountant in 1999 and since February 2000 had been the principal of chartered accounting firm, Leydin Freyer. Upon the merger of Leydin Freyer with Vistra in November 2021, Ms Leydin is the country head of Vistra Australia. Ms Leydin has over 25 years' experience in the accounting profession and has extensive experience in relation to public company responsibilities, including ASX and ASIC compliance, control and implementation of corporate governance, statutory financial reporting, reorganisation of Companies and shareholder relations and is a director and company secretary for a number of entities listed on the Australian Securities Exchange.

Meetings of Directors
The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 31 December 2022, and the number of meetings attended by each Director were:

	Full Board		**Audit & Risk Committee**		**Remuneration & Nomination Committee**	
	Attended	**Held**	**Attended**	**Held**	**Attended**	**Held**
Michael Boyd	9	10	-	-	-	-
Brian Renwick	10	10	6	6	1	1
Michael Chan*	10	10	6	6	1	1
Nicholas Harper	10	10	-	-	-	-

Held: represents the number of meetings held during the time the Director held office or was a member of the relevant committee.

* Michael Chan resigned as Non-Executive Director effective 16 December 2022.

Remuneration report (audited)
The remuneration report details the key management personnel remuneration arrangements for the consolidated entity, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

The remuneration report is set out under the following main headings:
- Principles used to determine the nature and amount of remuneration
- Details of remuneration
- Service agreements
- Share-based compensation
- Additional information
- Additional disclosures relating to key management personnel

Principles used to determine the nature and amount of remuneration
The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with the achievement of strategic objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward. The Board of Directors ('the Board') ensures that executive reward satisfies the following key criteria for good reward governance practices:
- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency

The Remuneration and Nomination Committee is responsible for determining and reviewing remuneration arrangements for its directors and executives. The performance of the consolidated entity depends on the quality of its directors and executives. The remuneration philosophy is to attract, motivate and retain high performance and high quality personnel.

In past consultation with external remuneration consultants, the Remuneration and Nomination Committee has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the consolidated entity.

The reward framework is designed to align executive reward to shareholders' interests. The Board have considered that it should seek to enhance shareholders' interests by:
- having economic profit as a core component of plan design
- focusing on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value
- attracting and retaining high calibre executives

Additionally, the reward framework should seek to enhance executives' interests by:
- rewarding capability and experience
- reflecting competitive reward for contribution to growth in shareholder wealth
- providing a clear structure for earning rewards

In accordance with best practice corporate governance, the structure of non-executive Director and executive Director remuneration is separate.

Non-executive Directors remuneration
Fees and payments to non-executive directors reflect the demands and responsibilities of their role. Non-executive directors' fees and payments are reviewed annually by the Remuneration and Nomination Committee. The Remuneration and Nomination Committee may, from time to time, receive advice from independent remuneration consultants to ensure non-executive directors' fees and payments are appropriate and in line with the market. No such consultants were used during the year. The chairman's fees are determined independently to the fees of other non-executive directors based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration. Non-executive directors do not receive share options or other incentives.

Directors may also be reimbursed for travel and other expenses reasonably incurred in attending to the Company's affairs.

Non-executive directors may be paid such additional or special remuneration as the directors decide is appropriate where a director performs extra work or services which are not in the capacity as Director of the Company or a subsidiary.

ASX listing rules require the aggregate non-executive Directors' remuneration be determined periodically by a general meeting.

The Company's current Non-Executive Directors fee pool limit is $350,000 as set in Company's Constitution adopted in 2015.

Director	**Role**	**Annual Fee ($)**	**Subject to NED Pool**
Mr Michael Boyd	Non-Executive Chair	120,000	Yes
Mr Brian Renwick	Non-Executive Director	50,000	Yes
Mr Nicholas Harper	Non-Executive Director	50,000	Yes
Total Pool used		220,000	

Executive remuneration
The consolidated entity aims to reward executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components.

The executive remuneration and reward framework has four components:
- base pay and non-monetary benefits
- short-term performance incentives
- share-based payments
- other remuneration such as superannuation and long service leave

The combination of these comprises the executive's total remuneration.

Executives may receive their fixed remuneration in the form of cash or other fringe benefits (for example motor vehicle benefits) where it does not create any additional costs to the consolidated entity and provides additional value to the executive. The Executive chairman's fees are determined based on comparative roles in the external market. The chairman is not present at any discussions relating to the determination of his own remuneration.

Consolidated entity performance and link to remuneration
The remuneration of the Non-Executive Directors is not linked to the performance, share price or earnings of the consolidated entity. For the year ended 31 December 2022, the remuneration of Executive Chairman and other executives were not linked to the performance, share price or earnings of the consolidated entity.

Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

Use of remuneration consultants
Use of remuneration consultants During the financial year ended 31 December 2022, the consolidated entity did not engage any remuneration consultants.

Voting and comments made at the Company's 26 May 2022 Annual General Meeting ('AGM')
At the 26 May 2022 AGM, 94.44% of the votes received supported the adoption of the remuneration report for the year ended 31 December 2021. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration

Amounts of remuneration
Details of the remuneration of key management personnel of the consolidated entity are set out in the following tables. Unless otherwise noted, the named persons were key management personnel for the whole of the period ended 31 December 2022.

The key management personnel of the consolidated entity consisted of the following Directors of Jayex Technology Limited:
- Michael Boyd (Executive Chair till 26 October 2022 with subsequent appointment as Non-Executive Chair)
- Brian Renwick (Non-Executive Director)
- Nicholas Harper (Executive Director till 1 December 2022 with subsequent appointment as Non-Executive Director)
- Michael Chan (resigned as Non-Executive Director on 16 December 2022)

And the following person:
- Robert Hadley (Chief Executive Officer appointed effective 3 October 2022)
- Nathan Woodard (Chief Financial Officer resigned effective 31 January 2023)

	Short-term benefits		**Post-employment benefits**	**Long-term benefits**			
2022	**Cash salary and fees $**	**Cash bonus $**	**Super-annuation $**	**Long service leave $**	**Share-based payments $**	**Termination benefit $**	**Total $**
Non-Executive Directors:							
Mr M Boyd (Non-Executive Chair)(i)	20,000	-	-	-	-	-	20,000
Mr B Renwick	50,000	-	-	-	-	-	50,000
Mr M Chan(ii)	47,917	-	-	-	-	-	47,917
Mr N Harper(iii)	4,167	-	-	-	-	-	4,167
Executive Directors:							
Mr M Boyd (Executive Chair)(i)	170,000	-	-	-	-	-	170,000
Mr N Harper(iii)	131,654	-	-	-	-	-	131,654
Other Key Management Personnel:							
Mr R Hadley(iv)	53,324	-	-	-	-	-	53,324
Mr N Woodard(v)	159,971	-	2,348	-	-	-	162,319
	637,033	-	2,348	-	-	-	639,381

(i) Mr M Boyd was Executive Chair till 26 October 2022 with subsequent appointment as Non-Executive Chair effective 26 October 2022.
(ii) Mr M Chan resigned as Non-Executive Director effective 16 December 2022.
(iii) Mr N Harper was Executive Director till 1 December 2022 with subsequent appointment as Non-Executive Director effective 1 December 2022.
(iv) Mr R Hadley was appointed as Chief Executive Officer effective 3 October 2022.
(v) Mr N Woodard resigned as Chief Financial Officer effective 31 January 2023.

2021	Short-term benefits Cash salary and fees $	 Cash bonus $	Post-employment benefits Super-annuation $	Long-term benefits Long service leave $	Share-based payments $	Termination benefit $	Total $
Non-Executive Directors:							
Mr B Renwick	50,000	-	-	-	-	-	50,000
Mr M Chan	50,000	-	-	-	-	-	50,000
Mr N Harper*	38,889	-	-	-	-	-	38,889
Executive Directors:							
Mr M Boyd (Executive Chair)	173,950	-	-	-	-	-	173,950
Mr N Harper*	33,532	-	-	-	-	-	33,532
Other Key Management Personnel:							
Mr N Woodard	168,387	41,201	28,663	-	7,160	-	245,411
	514,758	41,201	28,663	-	7,160	-	591,782

* Mr N Harper was appointed as the Executive Director effective 11 October 2021

The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration 2022	Fixed remuneration 2021	At risk - STI 2022	At risk - STI 2021	At risk - LTI 2022	At risk - LTI 2021
Non-Executive Directors:						
Mr M Boyd	100%	-	-	-	-	-
Mr B Renwick	100%	100%	-	-	-	-
Mr M Chan	100%	100%	-	-	-	-
Mr N Harper	100%	-	-	-	-	-
Executive Directors:						
Mr M Boyd	100%	100%	-	-	-	-
Mr N Harper	100%	100%	-	-	-	-
Other Key Management Personnel:						
Mr. R Hadley	100%	-	-	-	-	-
Mr. N Woodard	100%	77%	-	23%	-	-

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Michael Boyd
Title:	(Executive Chair till 26 October 2022 with subsequent appointment as Non-Executive Chair)
Agreement commenced:	25 July 2020
Term of agreement:	No fixed term. Each party may terminate the agreement by giving one months' notice. The Company may make payment in lieu of part of all of the notice period.
Details:	Base salary of $220,000 per annum till 26 October 2022 and $120,000 per annum as Non-Executive Chair effective 26 October 2022.

Name:	Nathan Woodard (resigned effective 31 January 2023)
Title:	Chief Financial Officer
Agreement commenced:	28 August 2018
Term of agreement:	No fixed term. Each party may terminate the agreement by giving three months' notice. The Company may make payment in lieu of part of all of the notice period.
Details:	Base salary £90,000 per annum.

Name:	Nicholas Harper
Title:	Executive Director for Software till 1 December 2022 with subsequent appointment as Non-Executive Director
Agreement commenced:	11 October 2021
Term of agreement:	No fixed term. Each party may terminate the agreement by giving three months' notice. The Company may make payment in lieu of part of all of the notice period.
Details:	Base salary £85,000 per annum till 1 December 2022 and $50,000 per annum as Non-Executive Director effective 1 December 2022.

Name:	Robert Hadley
Title:	Chief Executive Officer
Agreement commenced:	3 October 2022
Term of agreement:	No fixed term. Each party may terminate the agreement by giving three months' notice. The Company may make payment in lieu of part of all of the notice period.
Details:	Base salary £120,000 per annum.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares
During the year no ordinary shares were issued to directors and other key management personnel as part of compensation.

Options
The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel as at 31 December 2022 are as follows:

Name	Number of options granted	Grant date	Vesting date and exercisable date	Expiry date	Exercise price	Fair value per option at grant date
Mr N Woodard	250,000	30/03/2021	31/12/2021	29/03/2024	$0.05	$0.029

Subsequent to the year end, Nathan Woodard resigned as Chief Financial Officer effective 31 January 2023 and the above options were forfeited effective 1 March 2023 under the terms of the Options offer letter.

Options granted carry no dividend or voting rights.

Additional information
The earnings of the consolidated entity for the five years to 31 December 2022 are summarised below:

	2022 $	2021 $	2020 $	2019 $	2018 $
Sales revenue	4,303,996	4,125,166	6,063,000	7,185,000	6,749,000
EBITDA	(1,055,118)	(302,076)	293,000	121,000	(342,000)
EBIT	(6,412,949)	(3,518,189)	(561,000)	(663,000)	(885,000)
Loss after income tax	(7,245,838)	(3,924,342)	(799,000)	(960,000)	(1,125,000)

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2022	2021	2020	2019	2018
Share price at financial year end (cents)	1.10	1.90	3.90	3.00	1.90

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Shares acquired	Disposals/ other	Balance at the end of the year
Ordinary shares					
Mr M Boyd	107,883,880	-	-	-	107,883,880
Mr B Renwick	1,660,871	-	-	-	1,660,871
Mr M Chan*	2,498,180	-	50,820	(2,549,000)	-
	112,042,931	-	50,820	(2,549,000)	109,544,751

* On 1 December 2022, Mr Michael Chan acquired 50,820 shares through on-market trade. The disposal represents shares held by Mr Michael Chan as at the date of resignation as Non-Executive Director on 16 December 2022.

Option holding
The number of options over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Options over ordinary shares					
Mr N Woodard*	250,000	-	-	-	250,000
	250,000	-	-	-	250,000

* Subsequent to the year end, Nathan Woodard resigned as Chief Financial Officer effective 31 January 2023 and the above options were forfeited effective 1 March 2023 under the terms of the Options offer letter.

During the financial period loans were made by the company’s chairman to the consolidated entity. Details of these transactions are disclosed below:

Transactions with related parties
The following transactions occurred with related parties. All transactions were carried out on arm's length terms on a basis which is no more or less favourable than if the transactions had occurred with non-related entities except for the interest free loans disclosed in the Terms and Condition section below.

	Consolidated 2022 $	Consolidated 2021 $
Interest on convertible Notes issued to Covenant Holdings (WA) Pty Ltd (an entity related to Non-Executive Chair Michael Boyd)	175,260	183,172

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated 2022 $	Consolidated 2021 $
Current payables:		
Accrued loan interest payable to Covenant Holdings (WA) Pty Ltd (an entity related to Non-Executive Chair Michael Boyd)	87,750	-

The payables due to related parties were payable on demand and did not bear interest.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated	
	2022 $	2021 $
Current borrowings:		
Convertible Notes issued to Covenant Holdings (WA) Pty Ltd (an entity related to Non-Executive Chair Michael Boyd)	2,700,000	2,128,826
Loans from Covenant Holdings (WA) Pty Ltd (an entity related to Non-Executive Chair Michael Boyd) (i), (ii)	555,000	-
Loan from Michael Boyd, Non-Executive Chair (iii)	188,517	-
Loan from Michael Boyd, Non-Executive Chair (iv)	266,642	-
	3,710,159	2,128,826
Non-current borrowings:		
Loans from Covenant Holdings (WA) Pty Ltd (an entity related to Non-Executive Chair Michael Boyd) (i), (ii)	-	555,000
Loan from Michael Boyd, Non-Executive Chair (iii)	-	188,517
	-	743,517

Terms and conditions
Loan
The terms of the loans made by Covenant Holdings (WA) Pty Ltd to companies within the consolidated entity are as follows:

(i) Loan from Covenant Holdings (WA) Pty Ltd to P2U Pty Ltd: Balance as at 31 December 2022 and 31 December 2021 - $55,000; loan is interest free, unsecured and is repayable on 1 April 2023.

(ii) Loan from Covenant Holdings (WA) Pty Ltd to Whakaora Hou Limited: Balance as at 31 December 2022: $500,000 (31 December 2021: 500,000); loan is interest free, unsecured and is repayable on 1 April 2023.

(iii) Loan from Michael Boyd, Non-Executive Chair to Whakaora Hou Limited: Balance as at 31 December 2022: $188,517 (31 December 2021: $188,517) This is an interest free unsecured loan and is repayable on 1 April 2023.

(iv) Loan from Michael Boyd, Non-Executive Chair to Jayex Technology Limited: Balance as at 31 December 2022: $266,642 (31 December 2021:nil) This is an interest free unsecured loan and is repayable on 30 June 2023.

Convertible notes
Convertible Notes are unsecured and issued on 13 October 2020 at an interest rate of 6.5% per annum. These are repayable on 13 October 2022 for balance not converted into shares. Refer to note 16 for further information on convertible notes.

Subsequent to the year end, shareholders at its General Meeting on 7 March 2023 approved the issuance of 207,692,307 Options towards the repayments of $2.7 million convertible notes and 42,307,693 Options towards the repayment of $555,000 loans, to Covenant Holding (WA) Pty Ltd.

This concludes the remuneration report, which has been audited.

Shares under options
Unissued ordinary shares of Jayex Technology Limited under option outstanding at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under options
04 May 2021	03 May 2024	$0.05	250,000
7 March 2023	7 March 2026	$0.01	250,000,000
			250,250,000

No person entitled to exercise the options had or has any right by virtue of the options granted to participate in any share issue of the Company or of any other body corporate.

Shares issued on the exercise of options
There were no ordinary shares of Jayex Technology Limited issued on the exercise of options during the year ended 31 December 2022 and up to the date of this report.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

During the financial year, the Company has not paid a premium in respect of a contract to insure the auditor of the Company or any related entity.

Proceedings on behalf of the Company
No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Company, or to 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 part of those proceedings.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial period by the auditor are outlined in note 25 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 25 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of William Buck Audit (Vic) Pty Ltd
There are no officers of the Company who are former partners of William Buck Audit (Vic) Pty Ltd.

Auditor's independence declaration
A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 18.

Auditor
William Buck Audit (Vic) Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

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

On behalf of the Directors

Michael Boyd
Chairman

30 March 2023
Melbourne

William Buck
ACCOUNTANTS & ADVISORS

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF JAYEX TECHNOLOGY LIMITED

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2022 there have been:

— no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

— no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN: 59 116 151 136

A. A. Finnis
Director

Melbourne, 30 March 2023

Level 20, 181 William Street, Melbourne VIC 3000 +61 3 9824 8555 vic.info@williambuck.com
williambuck.com.au

Jayex Technology Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 31 December 2022

	Note	Consolidated 2022 $	Consolidated Restated 2021 $
Revenue from continuing operations	6	4,303,996	3,586,303
Other income	7	202,936	1,289,021
Expenses			
Raw materials and consumables used		(916,882)	(570,807)
Employee benefits expense	8	(3,107,925)	(3,047,888)
Depreciation and amortisation expense	8	(373,742)	(589,892)
Marketing expenses		(73,551)	(107,078)
Administrative, corporate and other expenses		(1,488,442)	(1,454,690)
Finance costs	8	(919,068)	(839,650)
Impairment of intangible assets	14	(3,748,022)	(2,513,800)
Loss before income tax benefit from continuing operations		(6,120,700)	(4,248,481)
Income tax benefit		86,179	433,497
Loss after income tax benefit from continuing operations		(6,034,521)	(3,814,984)
Loss after income tax expense from discontinued operations	9	(1,211,317)	(109,358)
Loss after income tax (expense)/benefit for the year attributable to the owners of Jayex Technology Limited		(7,245,838)	(3,924,342)
Other comprehensive income/(loss)			
Items that will not be reclassified subsequently to profit or loss			
(Loss)/gain on the revaluation of equity instruments at fair value through other comprehensive income, net of tax		(106,961)	57,091
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(154,927)	404,108
Other comprehensive income/(loss) for the year, net of tax		(261,888)	461,199
Total comprehensive loss for the year attributable to the owners of Jayex Technology Limited		(7,507,726)	(3,463,143)
Total comprehensive loss for the year is attributable to:			
Continuing operations		(6,296,409)	(3,353,785)
Discontinued operations		(1,211,317)	(109,358)
		(7,507,726)	(3,463,143)

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

		Cents	Cents
Earnings per share for loss from continuing operations attributable to the owners of Jayex Technology Limited			
Basic earnings per share	32	(2.42)	(1.73)
Diluted earnings per share	32	(2.42)	(1.73)
Earnings per share for loss from discontinued operations attributable to the owners of Jayex Technology Limited			
Basic earnings per share	32	(0.49)	(0.05)
Diluted earnings per share	32	(0.49)	(0.05)
Earnings per share for loss attributable to the owners of Jayex Technology Limited			
Basic earnings per share	32	(2.91)	(1.78)
Diluted earnings per share	32	(2.91)	(1.78)

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

Jayex Technology Limited
Consolidated statement of financial position
As at 31 December 2022

	Note	Consolidated 2022 $	Consolidated Restated 2021 $
Assets			
Current assets			
Cash and cash equivalents		239,379	982,716
Trade and other receivables	10	397,659	838,348
Inventories		139,324	246,614
Other		19,063	47,578
Total current assets		795,425	2,115,256
Non-current assets			
Deposits		39,363	54,113
Financial assets at fair value through other comprehensive income	11	-	536,001
Financial assets at fair value through profit or loss	12	1,414,828	1,368,846
Plant and equipment	13	-	193,289
Right-of-use assets		50,463	247,265
Intangibles	14	-	5,176,729
Total non-current assets		1,504,654	7,576,243
Total assets		2,300,079	9,691,499
Liabilities			
Current liabilities			
Trade and other payables	15	1,824,437	1,033,059
Borrowings	16	4,136,825	2,607,101
Lease liabilities		51,764	149,823
Provision for income tax on capital gains		39,940	199,447
Employee benefits		27,281	49,743
Provisions	17	236,344	215,046
Contract liabilities	18	1,099,514	1,615,450
Total current liabilities		7,416,105	5,869,669
Non-current liabilities			
Borrowings	19	1,208,889	2,454,826
Lease liabilities		3,461	112,979
Deferred tax		-	59,744
Employee benefits		1,727	16,658
Total non-current liabilities		1,214,077	2,644,207
Total liabilities		8,630,182	8,513,876
Net assets/(liabilities)		(6,330,103)	1,177,623
Equity			
Issued capital	20	28,112,494	28,112,494
Reserves	21	(1,866,837)	(1,654,819)
Accumulated losses		(32,575,760)	(25,280,052)
Total equity/(deficiency)		(6,330,103)	1,177,623

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

Jayex Technology Limited
Consolidated statement of changes in equity
For the year ended 31 December 2022

Consolidated (Restated)	**Issued capital $**	**Shared-based payment reserve $**	**Foreign exchange reserve $**	**Financial asset reserve $**	**Accumulated losses $**	**Total equity $**
Balance at 1 January 2021	26,861,089	-	(2,128,205)	-	(21,355,710)	3,377,174
Loss after income tax benefit for the year	-	-	-	-	(3,924,342)	(3,924,342)
Other comprehensive income for the year, net of tax	-	-	404,108	57,091	-	461,199
Total comprehensive income/(loss) for the year	-	-	404,108	57,091	(3,924,342)	(3,463,143)
Transactions with owners in their capacity as owners:						
Contributions of equity, net of transaction costs (note 20)	1,251,405	-	-	-	-	1,251,405
Vesting of share based payments	-	12,187	-	-	-	12,187
Balance at 31 December 2021	28,112,494	12,187	(1,724,097)	57,091	(25,280,052)	1,177,623

Consolidated	**Issued capital $**	**Shared-based payment reserve $**	**Foreign exchange reserve $**	**Financial asset reserve $**	**Accumulated losses $**	**Total deficiency in equity $**
Balance at 1 January 2022	28,112,494	12,187	(1,724,097)	57,091	(25,280,052)	1,177,623
Loss after income tax benefit for the year	-	-	-	-	(7,245,838)	(7,245,838)
Other comprehensive loss for the year, net of tax	-	-	(154,927)	(106,961)	-	(261,888)
Total comprehensive loss for the year	-	-	(154,927)	(106,961)	(7,245,838)	(7,507,726)
Transactions with owners in their capacity as owners:						
Disposal of financial assets	-	-	-	49,870	(49,870)	-
Balance at 31 December 2022	28,112,494	12,187	(1,879,024)	-	(32,575,760)	(6,330,103)

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

Jayex Technology Limited
Consolidated statement of cash flows
For the year ended 31 December 2022

	Note	Consolidated 2022 $	2021 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		4,237,280	3,878,647
Payments to suppliers and employees (inclusive of GST)		(4,815,541)	(5,309,349)
Other revenue		133,887	251,328
Interest and other finance costs paid		(172,605)	(223,749)
Income taxes paid		(199,447)	-
Net operating cash used in continuing operations		(816,426)	(1,403,123)
Net operating cash (used in)/ generated by discontinued operations		(39,944)	146,434
Net cash used in operating activities		(856,370)	(1,256,689)
Cash flows from investing activities			
Proceeds from disposal of Acute business		-	1,583,707
Payments for disposal of Acute business		-	(850,303)
Payment for investments		-	(1,368,846)
Proceeds from disposal of investments		429,040	-
Net cash from/(used in) continuing operations' investing activities		429,040	(635,442)
Net cash used in the investing activities of discontinued operations		-	(134,724)
Net cash from/(used in) investing activities		429,040	(770,166)
Cash flows from financing activities			
Proceeds from issue of shares			1,292,092
Share issue transaction costs		-	(40,687)
Proceeds from borrowings		266,642	1,116,071
Repayment of borrowings		(391,111)	(111,607)
Repayment of convertible notes		-	(300,000)
Repayment of lease liabilities		(136,676)	(116,707)
Net cash used in continuing operations' financing activities		(261,145)	(1,839,162)
Net cash used in the financing activities of discontinued operations		(20,569)	(18,520)
Net cash (used in)/from financing activities		(281,714)	1,820,642
Net decrease in cash and cash equivalents		(709,044)	(206,213)
Cash and cash equivalents at the beginning of the financial year		982,716	1,182,183
Effects of exchange rate changes on cash and cash equivalents		(34,293)	6,746
Cash and cash equivalents at the end of the financial year		239,379	982,716

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

Note 1. General information

The financial statements cover Jayex Technology Limited as a consolidated entity consisting of Jayex Technology Limited ("the Company") and the entities it controlled at the end of, or during, the period. The financial statements are presented in Australian dollars, which is Jayex Technology Limited's functional and presentation currency.

Jayex Technology Ltd is a for-profit company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Registered office	**Principal place of business**
Level 4 100 Albert Road South Melbourne VIC 3205	17B Cribb Street Milton QLD 4064

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 30 March 2023. The Directors have the power to amend and reissue the financial statements.

Note 2. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Other accounting pronouncements which have become effective from 1 January 2022 and have therefore been adopted have not had a significant impact on the Group's financial results or position.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the year ended 31 December 2022.

Going concern
The financial report has been prepared on the going concern basis, which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

The working capital position as at 31 December 2022 of the consolidated entity, as disclosed in the statement of financial position, is an apparent excess of current liabilities over current assets of $6,620,680 (2021: $3,754,413). However, the current liabilities as at 31 December 2022 contain a number of liability accounts, including Contract liabilities and Convertible notes, which represent the results of accounting adjustments and do not represent amounts currently payable, or expected to become payable, to third parties. Excluding these liability amounts from the calculation of working capital at 31 December 2022, results in adjusted working capital deficit of $2,821,166 (2021: working capital surplus of $58,912).

The cash balance at 31 December 2022 was $239,379 (2021: $982,716).

The consolidated entity incurred a net loss after tax for the financial year ended 31 December 2022 of $7,245,838 (2021: $3,924,342) and had net cash outflows from operating activities of $856,370 (2021: $1,256,689).

These conditions give rise to a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern.

Notwithstanding these results, the directors believe that the company will be able to continue as a going concern and as a result the financial statements have been prepared on a going concern basis. The accounts have been prepared on the assumption that the company is a going concern for the following reasons:

Note 2. Significant accounting policies (continued)

- The consolidated entity has a large and very stable customer base, with a very low churn rate across the core products;
- The consolidated entity has entered into a joint venture with Shine Clinical Limited which is expected to deliver industry contracts (between $0.5 – 2 million) which are typically multi-month and repeating annually;
- an organizational restructure and various efficiency projects have delivered material reductions in operational expenditure. The consolidated entity has further ability to scale down if required;
- financial support has been consistently offered by related parties of the Directors;
- the Board is of the opinion that the consolidated entity has, or shall have access to, sufficient funds to meet the planned corporate activities and working capital requirements; and
- as the Company is an ASX-listed entity, the consolidated entity has the ability to raise additional funds if required.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Jayex Technology Ltd ('Company' or 'parent entity') as at 31 December 2022 and the results of all subsidiaries for the period then ended. Jayex Technology Ltd and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'. Details of subsidiaries are included in note 29.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Foreign currency translation
The financial statements are presented in Australian dollars, which is Jayex Technology Limited's functional and presentation currency.

Foreign currency transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Note 2. Significant accounting policies (continued)

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Revenue recognition
The consolidated entity predominantly derives revenue from the sale of goods and services. Significant contracts with customers depict various performance obligations, such as:

- Supply and delivery of equipment, along with the software license to run on such equipment. This also include installation services and web portal access;
- Additional services (if contracted and included to that standard services agreement);
- Annual, ongoing software license and support services;
- Software customisation (development) and related support services; and
- Annual and ongoing extended warranty services.

To determine whether to recognise revenue, the consolidated entity follows a 5-step process:

- Identifying the contract with a customer
- Identifying the performance obligations
- Determining the transaction price
- Allocating the transaction price to the performance obligations
- Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is recognised either at a point in time or over time, when (or as) the consolidated entity satisfies performance obligations by transferring the promised goods or services to its customers.

Rendering of services
All deals are done on an annual basis with the option to pay for additional year(s)' warranty and software support at the time of the sale in advance. Revenue is recognised on a straight-line basis over the term of the contract for such services. This method best depicts the transfer of services to the customer as the consolidated entity's historical experience demonstrates no statistically significant variation in the quantum of services provided in each year of a multi-year contract.

Under AASB 15, the consolidated entity concluded that revenue from warranty and software support services will continue to be recognised over time, using an input method to measure progress towards complete satisfaction of the service similar to the previous accounting policy, because the customer simultaneously receives and consumes the benefits provided by the consolidated entity.

The consolidated entity recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the consolidated entity satisfies a performance obligation before it receives the consideration, the consolidated entity recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Equipment (Kiosk) sale and installation
The supply, installation and commissioning of requested equipment by the consolidated entity to the customer in accordance with a contract. Revenue is recognized at the point in time when the equipment has been commissioned and commences operation in accordance with specifications, at which point the performance obligation is satisfied. The equipment can only be installed by the company, as such the customer cannot derive benefits from the equipment until after installation of the software to run it, consequently, the revenue is recognized at a point in time after installation.

Software licences
Provision, over a specified period, of licence permitting and enabling the customer to access and use the software product supplied by the consolidated entity. Revenue is recognized on a straight line basis over the specified period, i.e. over time.

Note 2. Significant accounting policies (continued)

Extended warranties
Provision, over a specified period, of an extended warranty in favour of the customer to repair or replace equipment previously supplied by the consolidated entity. Revenue is recognized on a straight-line basis over the specified warranty period, i.e. over time.

Software support services
Provision by the consolidated entity, over a specified period, of telephone and online software support services to the customer, whereby client queries and problems are resolved by consolidated entity staff as required. Revenue is recognized on a straight-line basis over the specified period, i.e. over time.

Software development services
The supply, installation and commissioning of specific specialised software enhancements as required by the customer, which are outside of, or in addition to, the standard software product offered by the consolidated entity. Revenue is recognized over time as and when the software development services are delivered and recognition ceases once the project has been commissioned and commences operation in accordance with customer specifications at which point the performance obligation is satisfied. At this point any further service provided in relation to such development would be covered by Software support services as described above.

Other income
Interest
Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Government grants
Government grants are recognised when there is reasonable assurance that the grant will be received and all grant conditions will be complied with. When the grant relates to an expense item, it is recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is expected to compensate.

Income tax
The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Discontinued operations
A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

Cash and cash equivalents
Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Note 2. Significant accounting policies (continued)

Inventories
Stock in transit is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Stock on hand is stated at the lower of cost and net realisable value. Cost comprises of purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Investments and other financial assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost
A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Financial assets at fair value through profit or loss
Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income
Financial assets at fair value through other comprehensive income include equity investments which the consolidated entity intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Impairment of financial assets
The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

Note 2. Significant accounting policies (continued)

Property, plant and equipment
Plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Motor vehicles	4 - 5 years
Computer equipment	3 years
Office equipment	3 - 5 years
Furniture and fittings	4 - 5 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Right-of-use assets
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 consolidated entity 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 consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition.

Intangible assets acquired separately are initially recognised at cost.

Intangible assets with indefinite useful lives are not amortised, but tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis

Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. Amortisation expense is included in depreciation and amortisation expense in the Statement of profit or loss and other comprehensive income.

The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset.

The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Note 2. Significant accounting policies (continued)

Goodwill
Goodwill arising in a business combination is recognised as an asset at the date that control is acquired (the acquisition date).

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purposes of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash generating unit retained.

Research and development
Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources; and intent to complete the development and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 7 years.

Software
Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of materials and service and direct payroll and payroll related costs of employees' time spent on the project. Amortisation is calculated on a straight-line basis generally over 5-7 years. IT development costs include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the Group has an intention and ability to use the asset.

When these assets are acquired as part of a business combination they are recognised separately from goodwill. The assets are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses.

Customer relationships
When these assets are acquired as part of a business combination they are recognised separately from goodwill. The assets are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses.

Amortisation is calculated on a straight-line basis generally over the assets' estimated useful lives of 10 years.

Note 2. Significant accounting policies (continued)

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days Overdue.

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

Trade and other payables
These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

Borrowings
Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

The component of the convertible notes that exhibits characteristics of a liability is recognised as a liability in the statement of financial position, net of transaction costs.

On the issue of the convertible notes the fair value of the liability component is determined using a market rate for an equivalent non-convertible bond and this amount is carried as a current liability on the amortised cost basis until extinguished on conversion or redemption. The increase in the liability due to the passage of time is recognised as a finance cost.

Lease liabilities
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 consolidated entity'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.

Note 2. Significant accounting policies (continued)

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.

Contract liabilities
Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

Provisions
Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at 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 periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either: (i) the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions; or,

(ii) Barren option pricing model which takes into account largely the same factors as the above model, but also takes into account the relevant predetermined level (the barrier), with the fair value calculated using a trinomial lattice.

Note 2. Significant accounting policies (continued)

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital
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.

Loss per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Jayex Technology Ltd, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period, adjusted for share splits or bonus elements in ordinary shares issued during the financial period.

Note 2. Significant accounting policies (continued)

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

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

Note 3. Critical accounting 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.

Fair value measurement hierarchy
The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being: Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include disco unted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs. Refer to note 23 for key inputs used in the valuation models.

Warranty provision
In determining the level of provision required for warranties the consolidated entity has made judgements in respect of the expected performance of the products, the number of customers who will actually claim under the warranty and how often, and the costs of fulfilling the conditions of the warranty. The provision is based on estimates made from historical warranty data associated with similar products and services.

Estimates on the churn of customer relationships.
Management has estimated that the average customer retention is 10 years. Amortisation of intangible assets related to customer relationship has accordingly been amortised over 10 years. Existing customers pay an annual subscription renewal identifying the existing useful life of their product. Our churn is estimated to be at 3%. The majority of our customers are repeat purchasers.

Note 4. Restatement of comparatives

Correction of error
The Group has noted a prior period error for the year ended 31 December 2021 where the disposal of capitalised software was incorrectly adjusted against the foreign currency translation reserve. The Group has restated each of its affected financial statement line items for the prior period ended 31 December 2021, in accordance with AASB 108 "Accounting Policies, Changes in Accounting Estimates and Errors". The impact of the change is presented below:

	As previously reported 2021 $	Adjustment $	As Restated 2021 $
Assets			
Intangible assets	5,465,959	(289,230)	5,176,729
Total assets	**9,980,729**	**(289,230)**	**9,691,499**
Liabilities			
Deferred Tax Liabilities	139,282	(79,538)	59,744
Total Liabilities	**8,593,414**	**(79,538)**	**8,513,876**
Equity			
Reserves	(1,390,173)	(264,646)	(1,654,819)
Accumulated losses	(25,335,006)	54,954	(25,280,052)
Total equity	**1,387,315**	**(209,692)**	**1,177,623**

	As previously reported 2021 $	Adjustment $	As Restated 2021 $
Loss after income tax expense from continuing operations	(4,248,481)	-	(4,248,481)
Income tax benefit/(expense)	378,543	54,954	433,497
Loss after income tax benefit from continuing operations	(3,869,938)	54,954	(3,814,984)
Loss after income tax expense from discontinued operations	(109,358)	-	(109,358)
Loss after income tax (expense)/benefit for the year attributable to the owners of Jayex Technology Limited	(3,979,296)	54,954	(3,924,342)
Other comprehensive loss for the year, net of tax	461,199	-	461,199
Total comprehensive loss for the year	(3,518,097)	54,954	(3,463,143)

	Cents Reported	Cents Adjustment	Cents Restated
Basic and diluted earnings/(loss) per share from continuing operations	(1.76)	0.02	(1.73)
Basic and diluted earnings/(loss) per share from discontinued operations	(0.05)	-	(0.05)
Basic and diluted earnings/(loss) per share attributable to the owners of Jayex Technology Limited	(1.81)	0.02	(1.78)

Note 5. Operating segments

Identification of reportable operating segments
The consolidated entity is organised into two operating segments: Australia and United Kingdom (UK). These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation), excluding capital-raising expenses and share-based payments. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

No changes to the policy above have occurred during the financial year.

The Consolidated entity had the following discontinued operations during year ended 31 December 2022 and 31 December 2021:

(i) During the year ended 31 December 2022, the consolidated entity has closed its operations at Whakaora Hou Limited (WHL). WHL had been grouped under the Australia operation segment. In the segment information below, the discontinued operating results of WHL for the year ended 31 December 2022 and comparative results for the year ended 31 December 2021 of, $1,247,400 and $204,410 respectively have been presented separately from Australia Segment. Refer to note 9 for details on discontinued operating results.

(ii) During previous year, the Group sold its on-premises Acute hospital queue management business to Canadian based medical technology company Vitalhub Inc. where Vitalhub acquired Jayex's hospital contracts in both the United Kingdom and Australia. In the segment information below, the discontinued operating results of Acute business from United Kingdom and Australia segments have been presented separately. Refer to note 9 for details on discontinued operating results.

Intersegment transactions
Intersegment transactions were made at market rates. The Australian operating segment charges a management fee to the United Kingdom operating segment. Intersegment transactions are eliminated on consolidation.

Intersegment receivables, payables and loans
Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Major customers
The consolidated entity does not have a major customer that contributes more than 10% or more to the consolidated entity's revenue.

Note 5. Operating segments (continued)

Operating segment information

Consolidated - 2022	Australia $	United Kingdom $	Total $
Revenue			
Sales to external customers	320,142	3,983,854	4,303,996
Total revenue	320,142	3,983,854	4,303,996
Other revenue	82,741	51,146	133,887
Segment operating expenses	(1,215,428)	(4,371,372)	(5,586,800)
EBITDA	(812,545)	(336,372)	(1,148,917)
Interest expense			(919,068)
Depreciation & amortisation expense			(373,742)
Impairment of intangibles*			(3,748,022)
Fair value change in the derivative instrument			69,049
Loss before income tax benefit			(6,120,700)
Income tax benefit			86,179
Loss after income tax benefit continuing operations			(6,034,521)
Loss after income tax from discontinued operations (note 9)			(1,211,317)
Loss after income tax			(7,245,838)

*The impairment cost of intangibles of $3,748,022 related United Kingdom operating segment.

Consolidated - 2022	Australia $	United Kingdom $	Total $
Current assets	61,971	733,454	795,425
Non-current assets	1,451,204	53,451	1,504,655
Total assets	1,513,175	786,905	2,300,080
Current liabilities	4,199,383	3,216,722	7,416,105
Non-current liabilities	5,189	1,208,888	1,214,077
Total liabilities	4,204,572	4,425,610	8,630,182

Consolidated - 2021 (restated)	Australia $	United Kingdom $	Total $
Revenue			
Sales to external customers	562,267	3,024,036	3,586,303
Total revenue	562,267	3,024,036	3,586,303
Other revenue	62,608	188,581	251,189
Segment operating expenses	(1,991,485)	(3,176,791)	(5,168,276)
EBITDA	(1,366,610)	35,826	(1,330,784)
Interest expense			(839,650)
Depreciation & amortisation expense			(589,892)
Impairment of assets**			(2,513,800)
Share based payment expense			(12,187)
Fair value change in the derivative instrument			1,037,832
Loss before income tax benefit			(4,248,481)
Income tax benefit			433,497
Loss after income tax benefit continuing operations			(3,814,984)
Loss after income tax from discontinued operations (note 9)			(109,358)
Loss after income tax			(3,924,342)

**Out of total impairment cost of intangibles of $2,513,800, $585,800 and $1,928,000 was related Australia and United Kingdom operating segments respectively.

Note 5. Operating segments (continued)

Consolidated – Dec 2021 (restated)	Australia $	United Kingdom $	Total $
Current assets	256,708	1,858,548	2,115,256
Non-current assets	2,653,246	4,922,997	7,576,243
Total assets	2,909,954	6,781,545	9,691,499
Current liabilities	2,718,354	3,151,315	5,869,669
Non-current liabilities	819,744	1,824,463	2,644,207
Total liabilities	3,538,098	4,975,778	8,513,876

Note 6. Revenue

	Consolidated 2022 $	Consolidated 2021 $
From continuing operations		
Sales revenue	4,303,996	3,586,303

Sales revenue is revenue generated from the consolidated entity's healthcare industry service provision businesses.

For 2022, revenue includes $1,592,158 (2021: $1,247,528) included in the contract liability balance at the beginning of the period.

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

	Consolidated 2022 $	Consolidated 2021 $
Major product lines		
Supply and installation of Kiosks (at a point of time)	1,672,713	1,414,378
Software licences and support services (over time)	2,254,609	1,790,569
Extended warranty and software support (over time)	376,674	343,414
Software development customisation services (over time)	-	23,621
Software development supports services (over time)	-	14,321
	4,303,996	3,586,303

Note 7. Other income

	Consolidated 2022 $	Consolidated 2021 $
Fair value change in the derivative instrument	69,049	1,037,832
Government grants	-	251,031
Foreign exchange gains	82,741	-
Other	51,146	158
Other income	202,936	1,289,021

Note 8. Expenses

	Consolidated 2022 $	Consolidated 2021 $
Loss before income tax from continuing operations includes the following specific expenses:		
Depreciation		
Plant and equipment	-	19,607
Buildings right-of-use assets	119,441	142,994
Total depreciation	119,441	162,601
Amortisation		
Software	45,146	113,154
Customer relationships	209,155	314,137
Total amortisation	254,301	427,291
Total depreciation and amortisation	373,742	589,892
Finance costs		
Interest and finance charges on borrowings and convertible notes	913,015	813,729
Interest and finance charges paid/payable on lease liabilities	6,053	25,921
Finance costs expensed	919,068	839,650
Superannuation expense		
Defined contribution superannuation expense	41,872	52,981
Employee benefits expense excluding superannuation		
Employee benefits expense excluding superannuation	3,066,053	2,994,907

Note 9. Discontinued operations

Description
During previous year, the Group sold its on-premises Acute hospital queue management business to Canadian based medical technology company Vitalhub Inc. Under the agreement, Vitalhub acquired Jayex's hospital contracts in both the UK and Australia for a consideration of £1.04 million (~$1.9 million AUD) in cash and £0.26 million (~$0.47million AUD) in Vitalhub shares (150,078 shares in total).

Financial performance information

	Consolidated 2022 $	Consolidated 2021 $
Revenue	-	538,863
Raw materials and consumables used	-	(10,658)
Employee benefits expense	-	(217,783)
Professional services expenses	-	(90,738)
Other expense	-	(9,127)
Total expenses	-	(328,306)
Profit before income tax expense	-	210,557
Income tax expense	-	-
Profit after income tax expense	-	210,557
Gain on disposal before income tax	36,083	82,838
Income tax expense	-	(196,343)
Gain/(loss) on disposal after income tax expense	36,083	(113,505)
Gain after income tax expense from discontinued operations	36,083	97,052

Details of the disposal

	Consolidated 2022 $	Consolidated 2021 $
Total sale consideration	-	2,173,109
Carrying amount of net assets disposed	-	(1,239,968)
Consideration from release of Escrow	36,083	-
Disposal costs	-	(850,303)
Gain on disposal before income tax	36,083	82,838
Income tax expense	-	(196,343)
Gain/(loss) on disposal after income tax	36,083	(113,505)

The gain on disposal for the period ended 31 December 2022 related to the release of escrowed funds held which was recognised as a contingent asset in the previous financial year.

Note 9. Discontinued operations (continued)

Closure of Whakaora Hou Limited operations

During the year ended 31 December 2022, the consolidated entity has closed its operations at Whakaora Hou Limited (WHL). The financial performance of the discontinued operations of WHL during the year as following:

Financial performance information

	Consolidated 2022 $	Consolidated 2021 $
Revenue	-	-
Professional services expenses	(14,131)	(53,216)
Foreign exchange gains/losses	18,308	(3,727)
Depreciation and amortisation	(98,540)	(112,421)
Other expense	(15,510)	(37,046)
Impairment of intangible asset	(974,388)	-
Impairment of plant and equipment	(163,139)	-
Total expenses	(1,247,400)	(206,410)
Loss before income tax expense	(1,247,400)	(206,410)
Income tax expense	-	-
Loss after income tax expense	(1,247,400)	(206,410)
Gain on disposal before income tax	-	-
Income tax expense	-	-
Loss on disposal after income tax expense	(1,247,400)	(206,410)
Loss after income tax expense from discontinued operations	(1,247,400)	(206,410)

Note 10. Trade and other receivables

	Consolidated 2022 $	Consolidated 2021 $
Trade receivables, net of expected credit losses	388,058	819,452
Other receivables	9,601	18,896
	397,659	838,348

The ageing of the trade receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate 2022 %	**Expected credit loss rate** 2021 %	**Carrying amount** 2022 $'000	**Carrying amount** 2021 $'000	**Allowance for expected credit losses** 2022 $'000	**Allowance for expected credit losses** 2021 $'000
Not overdue	-	-	32,670	493,538	-	-
0 to 3 months overdue	-	-	290,336	243,052	-	-
3 to 6 months overdue	-	33.00%	54,390	125,099	-	(42,237)
Over 6 months overdue	82%	-	61,258	-	(50,596)	-
			438,654	861,689	(50,596)	(42,237)

Note 11. Financial assets at fair value through other comprehensive income

	Consolidated 2022 $	Consolidated 2021 $
Investment in Vitalhub shares	-	536,001

Reconciliation
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

	2022 $	2021 $
Opening fair value	536,001	-
Additions	-	478,910
Revaluation increments	-	57,091
Revaluation decrements	(106,961)	-
Disposals	(429,040)	-
Closing fair value	-	536,001

On 14 May 2021, in-part consideration towards the sales of Acute business for GBP 260k (equivalent to $472k), the company were issued 150,078 shares in Vitalhub Corporation at CAD 2.915 per share. These investment in shares is classified as level 1 in fair value measurement hierarchy as the Vitalhub Corporation is listed on Toronto Stock Exchange (TSXV: VHI). At the time of initial recognition, the company has made an irrevocable election for these investments to present subsequent changes in fair value in other comprehensive income.

During the year ended 31 December 2022, the company disposed all the Vitalhub shares for net proceeds of AUD 429,040.

Refer to note 23 for further information on fair value measurement.

Note 12. Financial assets at fair value through profit or loss

	Consolidated	
	2022	2021
	$	$
Investment in Brainworks	1,414,828	1,368,846

Reconciliation
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

Opening fair value	1,368,846	-
Additions	-	1,368,846
foreign exchange	45,982	-
Closing fair value	1,414,828	1,368,846

In 2021 financial year, Jayex Technology Limited executed a binding Head of Agreement ('HoA') for the strategic investment into Brainworks Foundry Inc. ('Brainworks'), based in Delaware, United States. Brainworks' Smart Health AI technology platform is currently undergoing preliminary clinical trials and is designed to allow a patient's vital signs, incl. heart rate, respiratory rate, blood oxygenation etc. to be measured simply by pointing the camera of a smartphone at the patient's face for 5-30 seconds. The platform can securely store a patient's health data and deliver test results to key healthcare professionals and other non-regulated stakeholders. Medio Labs, a brand operating under and owned by Brainworks, is a new AI-enhanced healthcare service developed by applying Brainworks' latest discoveries in AI and neuroscience and molecular sensing. The investment into Brainworks fits with Jayex's renewed and repositioned business model, and to extend its SaaS Connect data management capabilities for GP Clinics into more GP/Patient related services such as remote patient monitoring. Following the HoA, the company has invested $1.36 million in Brainworks to subscribe 1,234,566 Brainworks shares at an issue price of USD 0.81 for a total consideration of USD 1 million (equivalent to ÄUD 1.36 million). The investment has been held at fair value with subsequent changes carried through the statement of profit or loss.

In determining the fair value of the investment as at 31 December 2022 the Company engaged an independent valuation specialist. Based on the valuation, the fair value of the investment as 31 December 2022 approximates its carrying value above at $1.41m.

Refer to note 23 for further information on fair value measurement.

Note 13. Plant and equipment

	Consolidated 2022 $	Consolidated 2021 $
Leasehold improvements - at cost	177,090	180,210
Less: Impairment	(139,522)	-
Less: Accumulated depreciation	(37,568)	(13,508)
	-	166,702
Plant and equipment - at cost	28,628	26,587
Less: Impairment	(23,617)	-
Less: Accumulated depreciation	(5,011)	-
	-	26,587
Motor vehicles - at cost	17,253	54,207
Less: Accumulated depreciation	(17,253)	(54,207)
	-	-
Office equipment - at cost	245,000	258,990
Less: Accumulated depreciation	(245,000)	(258,990)
	-	-
Furniture and fittings - at cost	89,079	93,204
Less: Accumulated depreciation	(89,079)	(93,204)
	-	-
	-	193,289

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Furniture & fittings $	Office equipment $	Plant & equipment $	Leasehold improvement $	Total $
Balance at 1 January 2021	9,724	9,883	28,851	136,061	184,519
Additions	-	-	-	44,149	44,149
Depreciation expense	(9,724)	(9,883)	(2,264)	(13,508)	(35,379)
Balance at 31 December 2021	-	-	26,587	166,702	193,289
Exchange differences	-	-	(107)	(4,670)	(4,777)
Impairment of assets*	-	-	(23,617)	(139,522)	(163,139)
Depreciation expense	-	-	(2,863)	(22,510)	(25,373)
Balance at 31 December 2022	-	-	-	-	-

*Impairment charge relates to assets of Whakaora Hou Limited, the operations of which are closed during the year ended 31 December 2022. Refer to note 9 for further details.

Note 14. Intangibles

	Consolidated 2022 $	Consolidated 2021 (Restated) $
Goodwill - at cost	9,942,846	10,103,930
Less: Impairment	(9,942,846)	(6,464,986)
	-	3,638,944
Product development - at cost	1,109,426	1,069,172
Less: Accumulated amortisation	(135,038)	(80,188)
Less: Impairment	(974,388)	-
	-	988,984
Software platform - at cost	1,460,674	1,813,484
Less: Accumulated amortisation - Software	(1,434,943)	(1,739,316)
Less: Impairment	(25,731)	
	-	74,168
Customer relationships - at cost	2,444,810	2,551,232
Less: Accumulated amortisation - Customer relationships	(2,200,380)	(2,076,599)
Less: Impairment	(244,430)	
	-	474,633
	-	5,176,729

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Goodwill $	Patents & trademarks $	Software platform $	Customer relationships $	Development cost $	Total $
Balance at 1 January 2021	5,719,966	585,800	453,281	1,503,137	974,629	9,236,813
Disposals	(452,000)	-	(289,230)	(787,968)	-	(1,529,198)
Additions	-	-	-	-	94,543	94,543
Exchange differences	298,978	-	23,271	73,601	-	395,850
Impairment of assets	(1,928,000)	(585,800)	-	-	-	(2,513,800)
Amortisation expense	-	-	(113,154)	(314,137)	(80,188)	(507,479)
Balance at 31 December 2021	3,638,944	-	74,168	474,633	988,984	5,176,729
Additions	-	-	-	-	48,539	48,539
Exchange differences	(161,083)	-	(3,291)	(21,048)	(7,664)	(193,086)
Impairment of assets*	(3,477,861)	-	(25,731)	(244,430)	(974,388)	(4,722,410)
Amortisation expense	-	-	(45,146)	(209,155)	(55,471)	(309,772)
Balance at 31 December 2022	-	-	-	-	-	-

* During the year Consolidated entity impaired $ 4,772,410 of its intangible assets of which:

(i) $974,388 relates to the discontinued operations of Whakaora Hou Limited, the operations of which are closed during the year ended 31 December 2022. Refer to note 9 for further details; and

(ii) $3,748,022 of which relates to the continuing operations at company's UK subsidiary, Jayex Technology Ltd. It is comprised of impairment of goodwill and customer relationships recognised at the time of the acquisition of the UK business and software platform developed by the company. The impairment is driven by losses incurred at the UK business and Group's assessment that the carrying amount of these asset exceeds its recoverable amount.

Note 14. Intangibles (continued)

Goodwill

For the purpose of ongoing annual impairment testing goodwill is allocated to the following cash-generating units, which are the units expected to benefit from the synergies of the business combinations in which the goodwill arises:

	Consolidated	
	2022 $	2021 $
Jayex Technology Limited (United Kingdom)	-	3,638,944

Methodology

An impairment loss expense in the profit or loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The Company determined the recoverable amounts of Jayex Technology Limited CGU using a value in use approach.

The recoverable amounts of the CGU of $(1.8) million has been determined by valuation models that estimated the future cash flows relying on historical performance and growth, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU.

The discounted cash flow model used in the assessment of value in use is sensitive to a number of key assumptions, including revenue growth rates, discount rates, operating costs and foreign exchange rates. These assumptions can change over short periods of time and can have a significant impact on the carrying value of the assets.

Impairment testing for CGUs containing goodwill

Goodwill arose in the business combinations for the acquisition of Jayex Technology Limited in 2015. It represented the excess of the cost of the acquisition over the fair value of the Group's share of the identifiable net assets acquired and contingent liabilities assumed at the date of acquisition. Goodwill is allocated to the Group's cash generating units (CGUs) identified according to the Group's operating segments for impairment testing purposes.

In assessing whether an impairment adjustment is required for the carrying value of an asset, its carrying value is compared with its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value-in-use.

Value in use and key assumptions

The Company estimates the value-in-use of Jayex Technology Limited CGU using discounted cash flows. For the 2022 reporting period, the recoverable amount of the cash generating units (CGUs) was determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a one-year period. Cash flows beyond the one-year period are extrapolated using the estimated growth rates and assumptions used in the value in use calculations are stated below:

- Pre-tax discount rate - 16.5%
- Foreign exchange rate - £/$A 0.5625
- Period over which cash flows projected - 5 years
- Growth projections - revenue increase at average rates of 5% per annum, based on past trends
- Expenses increase at average rates of 5% per annum, based on past trends of reducing cost base compared to revenues
- Long term growth rate used to extrapolate cash flow projections beyond forecast period - 5% per annum

Apart from the considerations described in determining the value-in-use of the cash-generating units described above, management is not currently aware of any other probable changes that would necessitate changes in its key estimates.

Note 14. Intangibles (continued)

Impairment
The Consolidated entity has performed an impairment assessment based on its cash generating units, which is Jayex Technology CGU.

As a result of the assessment the Company has recognised an impairment to goodwill asset of $3.47 million in relation to the Jayex Technology CGU for the year ended 31 December 2022.

Note 15. Trade and other payables

	Consolidated 2022 $	Consolidated 2021 $
Trade payables	447,161	206,381
Accrued expenses	454,158	406,712
Interest payable	87,750	-
GST and VAT payable	196,092	154,204
Other payables	639,276	265,762
	1,824,437	1,033,059

Refer to note 22 for further information on financial instruments.

Note 16. Borrowings

	Consolidated 2022 $	Consolidated 2021 $
Derivative liability	-	69,049
Borrowings - current	1,436,825	409,226
Convertible notes payable	2,700,000	2,128,826
	4,136,825	2,607,101

In 2020 financial year, the Company issued 3,000,000 convertible notes each having a face value of $1.00 to Covenant Holding (WA) Pty Ltd towards the settlement of its $3m borrowings. Convertible notes are unsecured and bears an interest rate of 6.5% per annum. The Convertible Notes are convertible into Shares in whole or in part at the sole election of the Noteholder at the Conversion Price at any time on or before the redemption date. Conversion Price will be determined as the greater of $0.05 and a 20% discount to the volume weighted average price of Shares on the ASX calculated over the 30 days on which trades in Shares were recorded immediately prior to the conversion date. Convertible notes were repayable on 13 October 2022, being the original redemption date, for the balance of convertible notes not converted into shares as at that date. In 2021 financial year, the company repaid $300,000 of Convertible Notes. During the year ended 31 December 2022, the redemption date for convertible notes have been extended by 12 months to 13 October 2023.

As of 31 December 2022, there are 2,700,000 convertible notes outstanding with the carrying value of $2.7 million payable on 13 October 2023, if not converted into shares as at that date.

The convertibles notes contained an embedded derivative representing the option to convert the convertible notes into equity shares. At the inception date on 13 October 2020, this derivative liability was fair valued at $1,386,000. As of 31 December 2022, the derivative liability was fair valued at $nil (31 December 2021: $69,049) due to a change in the date of the proposed settlement of convertible notes with Company's Share Options in lieu of cash payment. The change in the fair value is recognised in the statement of profit and loss.

Subsequent to the year end, shareholders at its General Meeting on 7 March 2023 approved the issuance of 207,692,307 Options to Covenant Holding (WA) Pty Ltd towards the repayments of $2.7 million convertible notes.

Refer to note 19 for the information on borrowings.

Note 17. Provisions

	Consolidated 2022 $	Consolidated 2021 $
Provision for warranties	212,571	147,228
Provision for credit notes	23,773	67,818
	236,344	215,046

Warranties
The provision represents the estimated warranty claims in respect of products sold which are still under warranty at the reporting date. The provision is estimated based on historical warranty claim information, sales levels and any recent trends that may suggest future claims could differ from historical amounts.

Credit notes
The provision represents the estimated credit notes which may be granted in future periods in respect of products sold prior to the reporting date. The provision is estimated based on historical credit note information, sales levels and any recent trends that may suggest future issues of credit notes could differ from historical amounts.

Movements in provisions
Movements in each class of provision during the current financial year, other than employee benefits, are set out below:

Consolidated - 2022	**Warranties $**	**Credit notes $**
Carrying amount at the start of the year	147,228	67,818
Additional provisions recognised	65,343	-
Reduction in provision required	-	(44,045)
Carrying amount at the end of the year	212,571	23,773

Note 18. Contract liabilities

Contract liabilities consist of the following:

	Consolidated 2022 $	Consolidated 2021 $
Contract liabilities - Deferred service income	1,099,514	1,615,450

Reconciliation
Reconciliation of the fair values at the beginning and end of the current and previous financial year are set out below:

	2022 $	2021 $
Opening balance	1,615,450	1,436,773
Payment in advance	2,829,110	1,929,677
Transfer to Revenue - included in the opening balance	(1,592,158)	(1,247,528)
Transfer to Revenue - revenue originated during the year	(1,752,888)	(503,472)
Closing balance	1,099,514	1,615,450

Contract liabilities represents sales invoiced in advance for the provision of contracted services.

Note 19. Borrowings

	Consolidated 2022 $	Consolidated 2021 $
Borrowings - non-current	1,208,889	2,454,826

Refer to note 22 for further information on financial instruments.

The current borrowings in note 16 and non- current borrowing above, totalling to $2,645,714 comprises of:

(i) $1,010,159 of current loans that have been advanced to the consolidated entity by a related party. Refer note 27 for further information.

(ii) $746,666 loan payable to National Westminster Bank, United Kingdom with an interest rate of 2.05% per annum. GBP 600k loan originally taken is repayable by June 2026 with repayment started from July 2021. As at 31 December 2022, current and non-current portions of loan are at GBP 120k (equivalent to $213,333) and GBP300k (equivalent to $533,333) respectively.

(iii) $888,889 loan payable to National Westminster Bank, United Kingdom with an interest rate of 2.05% per annum. GBP 600k loan originally taken is repayable by February 2027 with repayment starting from March 2022. As at 31 December 2022, current and non-current portions of loan are at GBP 120k (equivalent to $213,333) and GBP500k (equivalent to $675,556) respectively.

Note 20. Issued capital

	Consolidated 2022 Shares	Consolidated 2021 Shares	Consolidated 2022 $	Consolidated 2021 $
Ordinary shares - fully paid	249,228,539	249,228,539	28,112,494	28,112,494

Movements in ordinary share capital

Details	**Date**	**No of shares**	**Issue price**	**$**
Balance	1 January 2021	201,363,024		26,861,089
Placement of shares	4 June 2021	19,090,755	$0.03	572,724
Rights issue	22 September 2021	28,774,760	$0.03	719,368
Capital raising costs		-	$0.00	(40,687)
Balance	31 December 2021	249,228,539		28,112,494
Balance	31 December 2022	249,228,539		28,112,494

Ordinary shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

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

Share buy-back
There is no current on-market share buy-back.

Note 20. Issued capital (continued)

Capital risk management
The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital. No external requirements have been imposed on the consolidated entity in regards to capital management.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

No changes to what is regarded as capital nor how it is managed have occurred during the financial year

Note 21. Reserves

	Consolidated	
	2022 $	2021 (Restated) $
Financial asset reserve	-	57,091
Foreign currency reserve	(1,879,024)	(1,724,097)
Share-based payments reserve	12,187	12,187
	(1,866,837)	(1,654,819)

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the translation of the financial statements of foreign operations to Australian dollars.

Share-based payments reserve
The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in reserves
Movements in each class of reserve during the current and previous financial year are set out below:

Consolidated	Foreign currency reserve $	Share-based payments reserve $	Financial asset reserve $	Total $
Balance at 1 January 2021	(2,128,205)	-	-	(2,128,205)
Foreign currency translation	404,108	-	-	404,108
Shared-based payments	-	12,187	-	12,187
Movement in the value of investments	-	-	57,091	57,091
Balance at 31 December 2021	(1,724,097)	12,187	57,091	(1,654,819)
Foreign currency translation	(154,927)	-	-	(154,927)
Movement in the value of investments	-	-	(106,961)	(106,961)
Disposal of financial assets	-	-	49,870	49,870
Balance at 31 December 2022	(1,879,024)	12,187	-	(1,866,837)

Financial asset reserve relates to revaluation movement in the financial assets at fair value through other comprehensive income in note 11.

Note 22. Financial instruments

Financial risk management objectives

The entity's principal financial instruments comprise cash and cash equivalents, trade and other receivables, investments, trade and other payables and borrowings. The main purpose of these financial instruments is to finance the entity's operations. The entity has various other financial assets and liabilities such as receivables and trade payables, which arise directly from its operations. It is, and has been throughout the entire period, the entity's policy that no trading in financial instruments shall be undertaken.

There are no major risks arising from the entity's financial instruments, as no significant term deposits/cash investments are maintained. Minor risks are summarised below. The Board reviews and agrees policies for managing each of these risks.

Market risk

Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

This exposure could have a material effect on the results of the consolidated entity in the long term, in particular the exchange differences arising from the translation of the consolidated entity's net investment in Jayex Technology Limited (JUK), and its future revenue and expense streams.

The average exchange rates and reporting date exchange rates applied were as follows:

	Average exchange rate 2022	Average exchange rates 2021	Reporting date exchange rate 2022	Acquisition date exchange rate 2021
Australian dollars				
Pound sterling (GBP)	0.5626	0.5461	0.5625	0.5376
New Zealand dollar (NZD)	1.0937	1.0619	1.0711	1.0628
United States dollar (USD)	0.6947	0.9418	0.6775	0.9245
Canadian dollar (CAD)	0.9029	0.7514	0.9123	0.7256

As noted above, foreign currency risk arises when future commercial transactions and recognised financial assets and liabilities are denominated in a currency that is not the entity's functional currency.

Note 22. Financial instruments (continued)

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		Liabilities	
	2022	2021	2022	2021
Consolidated	$	$	$	$
Pound Sterling	658,181	1,649,673	4,269,803	5,084,924
New Zealand dollars	27,812	55,628	788,517	675,390
Canadian dollars*	-	536,001	-	-
United States dollars**	1,414,828	1,368,846	-	-
	2,100,821	3,610,148	5,058,320	5,760,314

* This relates to investment in the shares of Vitalhub Corporation listed on Toronto Stock Exchange (TSXV: VHI) in Canadian dollars. The investment is fully disposed during the year ended 31 December 2022.

** This relates to investment in the shares of Brainworks Foundry Inc. based United States of America. The shares were issued with share price in United States dollars (Refer to note 12 for further details).

The consolidated entity has exposure to fluctuations between the UK Pound Sterling, the New Zealand dollars, the United States dollar, the Canadian dollar and the Australian dollars. If the Australian dollar weakened /strengthened against the UK Pound Sterling, by 1% it would increase/decrease the net asset position of the consolidated entity by approximately $3,300/$3,300 respectively (31 December 2021: $20,000/$20,000 respectively). If the Australian dollar weakened /strengthened against the New Zealand dollar by 1% it would increase/decrease the net asset position of the consolidated entity by approximately $3,300/$3,300 respectively (31 December 2021: $6,000/$6,000 respectively). If the Australian dollar weakened /strengthened against the United States dollar by 1% it would increase/decrease the net asset position of the consolidated entity by approximately $14,000/$14,000 respectively (31 December 2021: $14,000/$13,000 respectively). If the Australian dollar weakened /strengthened against the Canadian dollar by 1% it would increase/decrease the net asset position of the consolidated entity by nil (31 December 2021: $5,400/$5,300 respectively).

Price risk
The consolidated entity is not exposed to any significant price risk.

Interest rate risk
The consolidated entity is not exposed to any significant interest rate risk.

As at reporting date the consolidated entity has cash at bank of $239,379 and borrowings of $5,345,714 Cash at bank as at reporting date is held in a number of bank accounts, operated by the consolidated entity's parent entity and its subsidiaries and its head office function. Interest on bank accounts is insignificant. The interest rates on borrowings are at fixed rates of 6.5 percent per annum on the face value of the convertible notes of $2,700,000 and 2.05 percent per annum on a loan of $1,635,556 (equivalent to GBP920,000). Any feasible change in market rates is not expected to have a material impact on the financial results of the consolidated entity. Refer to note 16 for further information on convertible notes.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Note 22. Financial instruments (continued)

The consolidated entity has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The consolidated entity continuously monitors defaults of customers and other counterparties, identified either individually or by group and incorporates this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counterparties are obtained and used. The Group's policy is to deal only with creditworthy counterparties.

Other than trade receivables, the consolidated entity's main counterparties are major, reputable banks and government sales tax authorities. The consolidated entity is satisfied that the risk of default on the part of these counterparties is low.

The consolidated entity's management considers that all of the financial assets referred to above that are not impaired or past due at the reporting date are of good credit quality.

Liquidity risk
The consolidated entity manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities
The following tables detail the consolidated entity's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Consolidated - 2022	**Weighted average interest rate %**	**1 year or less $**	**Between 1 and 2 years $**	**Between 2 and 5 years $**	**Over 5 years $**	**Remaining contractual maturities $**
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	1,370,279	-	-	-	1,370,279
Accruals	-	454,158	-	-	-	454,158
Borrowings	-	1,010,159	-	-	-	1,010,159
Lease liabilities	-	51,764	3,462	-	-	55,226
Interest-bearing						
Borrowings	2.05%	426,667	1,208,889	-	-	1,635,556
Convertible notes	6.50%	2,700,000	-	-	-	2,700,000
Total non-derivatives		6,013,027	1,212,351	-	-	7,225,378

Note 22. Financial instruments (continued)

Consolidated - 2021	Weighted average interest rate %	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Remaining contractual maturities $
Non-derivatives						
Non-interest bearing						
Trade and other payables	-	626,343	-	-	-	626,343
Accruals	-	406,709	-	-	-	406,709
Borrowings	-	-	743,517	-	-	743,517
Lease liabilities	-	149,823	112,980	-	-	262,803
Interest-bearing						
Borrowings	2.05%	409,226	1,711,309	-	-	2,120,535
Convertible notes	6.50%	2,128,826	-	-	-	2,128,826
Total non-derivatives		3,720,927	2,567,806	-	-	6,288,733
Derivatives						
Derivative liability	-	69,049	-	-	-	69,049
Total derivatives		69,049	-	-	-	69,049

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 23. Fair value measurement

Fair value hierarchy
The following tables detail the consolidated entity's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 2022	Level 1 $	Level 2 $	Level 3 $	Total $
Assets				
Investment in Brainworks	-	-	1,414,828	1,414,828
Total assets	-	-	1,414,828	1,414,828
Liabilities				
Derivative liability*	-	-	-	-
Total liabilities	-	-	-	-

* As of 31 December 2022, the derivative liability was fair valued at $nil (31 December 2021: $69,049) due to a proposed settlement of convertible notes with Company's Share Options in lieu of cash payment. Refer to note 16 for further details

Note 23. Fair value measurement (continued)

Consolidated - 2021	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Assets				
Investment in Vitalhub shares	536,001	-	-	536,001
Investment in Brainworks	-	-	1,368,846	1,368,846
Total assets	536,001	-	1,368,846	1,904,847
Liabilities				
Derivative liability	-	-	69,049	69,049
Total liabilities	-	-	69,049	69,049

There were no transfers between levels during the financial year.

Level 3 assets and liabilities
Movements in level 3 assets and liabilities during the current and previous financial year are set out below:

Consolidated	**Investment in Brainworks $**	**Total $**
Balance at 1 January 2021	-	-
Additions	1,368,846	1,368,846
Balance at 31 December 2021	1,368,846	1,368,846
Transfers into level 3	-	-
Transfers out level 3	-	-
Gains recognised in profit or loss	-	-
Disposals	-	-
Foreign exchange gains	45,982	45,982
Balance at 31 December 2022	1,414,828	1,414,828

The level 3 financial assets unobservable inputs and sensitivity are as follows:

Description	**Unobservable inputs**	**Valuation methodology**	**Sensitivity**
Unlisted shares	Acquisition cost	Retention at acquisition cost where the investment was within six months of the valuation date. The Company assessed that there has been no material change in the prospects of the investee	A 10% increase/decrease in shares would increase/decrease the net asset position of the consolidated entity by approximately $142k respectively.

Refer to note 16 for unobservable inputs and sensitivity on derivative liability.

Note 24. Key management personnel disclosures

Compensation
The aggregate compensation made to Directors and other members of key management personnel of the consolidated entity is set out below:

	Consolidated	
	2022	**2021**
	$	**$**
Short-term employee benefits	637,033	555,959
Post-employment benefits	2,348	28,663
Share-based payments	-	7,160
	639,381	591,782

Note 25. Remuneration of auditors

During the financial period the following fees were paid or payable for services provided by the auditor of the Company, and its network firms:

	Consolidated	
	2022	**2021**
	$	**$**
Audit services		
Audit or review of the financial statements	91,500	58,500
Other services		
Preparation of the tax return	-	2,500
	91,500	61,000
Audit services - network firms		
Audit or review of the financial statements	21,329	53,562

Note 26. Contingent assets

On 17 May 2021, the Group sold its on-premises Acute hospital queue management business to Canadian based medical technology company Vitalhub Inc. £428k (equivalent to $788k) of consideration receivable, which was equivalent to the recurring annual revenue attributable to such Customer Contracts multiplied by 3.1 which was invoiced but unsettled at the point-of-Sale completion, was held in escrow and was contingent upon a future event taking place (the receipt of cash from customers). On proof of settlement these Escrow held recurring revenue amounts was released on request. Out of the balance of the contingent asset of £32k as of end of previous financial year, the company received £19k (equivalent to $36k) during the half-year ended 30 June 2022 which is recognised as other income from discontinued operations (refer to note 9 for information). The company is no longer eligible to received the balance of £13k and there is nil balance of contingent consideration as of 31 December 2022.

Note 27. Related party transactions

Parent entity
Jayex Technology Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 29.

Key management personnel
Disclosures relating to key management personnel are set out in note 24 and the remuneration report included in the Directors' report.

Transactions with related parties
The following transactions occurred with related parties. All transactions were carried out on arm's length terms on a basis which is no more or less favourable than if the transactions had occurred with non-related entities except for the interest free loans disclosed in the Terms and Condition section below.

	Consolidated 2022 $	Consolidated 2021 $
Interest on convertible Notes issued to Covenant Holdings (WA) Pty Ltd (an entity related to Non-Executive Chair Michael Boyd)	175,260	183,172

Receivable from and payable to related parties
The following balances are outstanding at the reporting date in relation to transactions with related parties:

	Consolidated 2022 $	Consolidated 2021 $
Current payables:		
Accrued interest payable on convertible Notes issued to Covenant Holdings (WA) Pty Ltd (an entity related to Non-Executive Chair Michael Boyd)	87,750	-

The payables due to related parties were payable on demand and did not bear interest.

Loans to/from related parties
The following balances are outstanding at the reporting date in relation to loans with related parties:

	Consolidated 2022 $	Consolidated 2021 $
Current borrowings:		
Convertible Notes issued to Covenant Holdings (WA) Pty Ltd (an entity related to Non-Executive Chair Michael Boyd)	2,700,000	2,128,826
Loans from Covenant Holdings (WA) Pty Ltd (an entity related to Non-Executive Chair Michael Boyd) (i),(ii)	555,000	-
Loan from Michael Boyd, Non-Executive Chair (iii)	188,517	-
Loan from Michael Boyd, Non-Executive Chair (iv)	266,642	-
	3,710,159	2,128,826
Non-current borrowings:		
Loans from Covenant Holdings (WA) Pty Ltd (an entity related to Non-Executive Chair Michael Boyd) (i),(ii)	-	555,000
Loan from Michael Boyd, Non-Executive Chair (iii)	-	188,517
	-	743,517

Note 27. Related party transactions (continued)

Terms and conditions

Loans
The terms of the loans made by the related parties to companies within the consolidated entity are as follows:

(i) Loan from Covenant Holdings (WA) Pty Ltd to P2U Pty Ltd: Balance as at 31 December 2022 and 31 December 2021 - $55,000; loan is interest free, unsecured and is repayable on 1 April 2023.

(ii) Loan from Covenant Holdings (WA) Pty Ltd to Whakaora Hou Limited: Balance as at 31 December 2022: $500,000 (31 December 2021: 500,000); loan is interest free, unsecured and is repayable on 1 April 2023.

(iii) Loan from Michael Boyd, Non-Executive Chair to Whakaora Hou Limited: Balance as at 31 December 2022: $188,517 (31 December 2021: $188,517) This is an interest free unsecured loan and is repayable on 1 April 2023.

(iv) Loan from Michael Boyd, Non-Executive Chair to Jayex Technology Limited: Balance as at 31 December 2022: $266,642 (31 December 2021: nil) This is an interest free unsecured loan and is repayable on 30 June 2023.

Convertible notes
Convertible Notes are unsecured and issued on 13 October 2020 at an interest rate of 6.5% per annum. These are repayable on 13 October 2022 for balance not converted into shares. Refer to note 16 for further information on convertible notes.

Subsequent to the year end, shareholders at its General Meeting on 7 March 2023 approved the issuance of 207,692,307 Options towards the repayments of $2.7 million convertible notes and 42,307,693 Options towards the repayment of $555,000 loans, to Covenant Holding (WA) Pty Ltd.

Note 28. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2022	**2021**
	$	**$**
Loss after income tax	(1,362,052)	(535,245)
Total comprehensive loss	(1,362,052)	(535,245)

Note 28. Parent entity information (continued)

Statement of financial position

	Parent	
	2022	**2021**
	$	**$**
Total current assets	28,852	18,740
Total assets	10,615,453	11,108,926
Total current liabilities	6,642,521	5,666,985
Total liabilities	6,642,521	5,666,985
Equity		
Issued capital	28,112,494	28,112,494
Financial asset reserve	-	57,091
Share-based payments reserve	12,187	12,187
Accumulated losses	(24,151,749)	(22,739,831)
Total equity	3,972,932	5,441,941

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity had no guarantees in relation to the debts of its subsidiaries as at 31 December 2022 or 31 December 2021.

Contingent liabilities
With the exception of any matter referred to note 34 Contingent liabilities, the parent entity had no contingent liabilities as at 31 December 2022 or 31 December 2021.

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 31 December 2022 or 31 December 2021.

Significant accounting policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 2, except for the following:
- investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- dividends received from subsidiaries are recognised as other income by the parent entity.

Note 30. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest 2022 %	Ownership interest 2021 %
Jayex Technology Limited	United Kingdom	100.00%	100.00%
P2U Pty Ltd	Australia	100.00%	100.00%
Jayex Australia Pty Ltd	Australia	100.00%	100.00%
Express RX Pty Ltd	Australia	100.00%	100.00%
Appointuit Pty Ltd	Australia	100.00%	100.00%
Jayex New Zealand Limited	New Zealand	100.00%	100.00%
Whakaora Hou Limited	New Zealand	100.00%	100.00%

Note 30. Events after the reporting period

Following material events have occurred subsequent to the year end:

(i) As announced on ASX on 31 January 2023, the company has signed a binding Term Sheet Agreement with Shine Clinical Ltd under which, subject to completion of due diligence processes and completion of formal documentation, the companies will operate a business via a joint venture arrangement that will provide services to:

- UK NHS customers in managing disease prevalence, ensuring patients get access to the appropriate treatments for their conditions.
- Enable UK pharmaceutical and medical device industry customers to achieve their market access strategies.

Jayex and Shine have agreed to bring their respective GP data analytical and revenue optimisation businesses together through the joint venture arrangement to realise the immediate synergy benefits from their complimentary and merged data analytical software programs and to develop new IP to increase the automation of the analytical processes. All IP developed by the joint venture business utilising Jayex's existing technology will be owned by Jayex. The joint venture will leverage the Jayex customer base and data integration capabilities along with Shine's healthcare data analytics intellectual property, to deliver services that are highly competitive and rapidly scalable. The joint venture will have sufficient operational capacity and financial standing to be able to credibly compete for and deliver large industry contracts.

The joint venture is structured with Shine issuing Jayex with ordinary shares so that Jayex is the holder 30% of the issued capital of Shine. The total consideration payable by Jayex, which is payable over nine milestones, for the Shine shares comprises cash of approximately A$133,000 and approximately 24.3 million shares in Jayex. Both components of the consideration (i.e. the cash and shares in Jayex), are subject to the successful satisfaction of a number of performance milestones by the joint venture business (which is to be operated by Shine). All milestones are required to be completed by 31 December 2023. Each milestone has both a minimum revenue target and gross margin target to ensure profitable contracts. As part of the joint venture, Jayex has agreed to exclusively source its clinical services from Shine for Jayex's business and the joint venture business. Shine has agreed to exclusively source its technical services and support from Jayex for Shine's business and the joint venture business.

(ii) On 2 March 2023, the company raised additional capital of $320,500 through placement of 32,050,000 shares to sophisticated and professional investors.

(iii) Shareholders at its General Meeting on 7 March 2023 approved the issuance of 207,692,307 Options towards the repayments of $2.7 million convertible notes and 42,307,693 Options towards the repayment of $555,000 loans, to Covenant Holding (WA) Pty Ltd. The transaction-based comparison table below sets out the impact of the above transaction on the consolidated entity as of 31 December 2022:

Note 29. Interests in subsidiaries (continued)

	Consolidated balance sheet as at 31 December 2022	Transaction	Post transaction – Pro forma	Percentage increase/ decrease following the Transactions
				%
Current assets	795,425	-	795,425	-
Non-current assets	1,504,654	-	1,504,654	-
Total assets	2,300,079	-	2,300,079	-
Liabilities				
Current liabilities	7,416,105	(3,255,000)	4,161,105	(44%)
Non-current liabilities	1,214,077	-	1,214,077	-
Total liabilities	8,630,182	(3,255,000)	5,375,182	(38%)
Net Liabilities	**(6,330,103)**	**3,255,000**	**(3,075,103)**	**(51%)**
Equity				
Issued capital	28,112,494	-	28,112,494	-
Reserves	(1,866,837)	3,255,000	1,388,163	(174%)
Accumulated losses	(32,575,760)	-	(32,575,760)	-
	(6,330,103)	**3,255,000**	**(3,075,103)**	**(51%)**

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

Note 31. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2022	2021
	$	$
Loss after income tax (expense)/benefit for the year	(7,245,838)	(3,924,342)
Adjustments for:		
Depreciation and amortisation	472,283	702,313
Net loss on disposal of property, plant and equipment	-	53,310
Share-based payments	-	12,187
Non-cash interest expense	730,261	616,604
Fair value remeasurement of derivative financial instrument	(69,049)	(1,037,832)
Loss on disposal of Acute business	-	(82,828)
Impairment of assets	4,885,549	2,513,800
Change in operating assets and liabilities:		
Decrease in trade and other receivables	393,340	445,282
Decrease in inventories	107,290	94,399
Decrease in prepayments	35,665	7,287
Increase/(decrease) in trade and other payables	395,058	(636,385)
Decrease in deferred tax liabilities	(59,744)	(213,620)
Increase/(decrease) in employee benefits	(46,744)	5,787
Increase in other provisions	61,497	8,630
Increase/(decrease) in deferred revenue	(515,938)	178,719
Net cash used in operating activities	(856,370)	(1,256,689)

Note 32. Earnings per share

	Consolidated	
	2022	2021
	$	$
Earnings per share for loss from continuing operations		
Loss after income tax attributable to the owners of Jayex Technology Limited	(6,034,521)	(3,814,984)
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	249,228,539	220,230,242
Weighted average number of ordinary shares used in calculating diluted earnings per share	249,228,539	220,230,242
	Cents	**Cents**
Basic earnings per share	(2.42)	(1.73)
Diluted earnings per share	(2.42)	(1.73)

	Consolidated	
	2022	2021
	$	$
Earnings per share for loss from discontinued operations		
Loss after income tax attributable to the owners of Jayex Technology Limited	(1,211,317)	(109,358)

Note 32. Earnings per share (continued)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	249,228,539	220,230,242
Weighted average number of ordinary shares used in calculating diluted earnings per share	249,228,539	220,230,242

	Cents	Cents
Basic earnings per share	(0.49)	(0.05)
Diluted earnings per share	(0.49)	(0.05)

	Consolidated 2022 $	2021 $
Earnings per share for loss		
Loss after income tax attributable to the owners of Jayex Technology Limited	(7,245,838)	(3,924,342)

	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	249,228,539	220,230,242
Weighted average number of ordinary shares used in calculating diluted earnings per share	249,228,539	220,230,242

	Cents	Cents
Basic earnings per share	(2.91)	(1.78)
Diluted earnings per share	(2.91)	(1.78)

Number of contingent shares not included in the diluted earnings per share calculation as they are anti-dilutive: 500,000 (2021: 500,000).

Note 33. Share-based payments

(a) Share-based compensation

During the year no ordinary shares were issued to directors and employees as part of compensation.

(b) Employee options

A share option plan (Plan) has been established by the consolidated entity and approved by shareholders at a general meeting, whereby the consolidated entity may, at the discretion of the Nomination and Remuneration Committee, grant options over ordinary shares in the Company to certain employees of the consolidated entity. In accordance with the Plan options were issued in 2016 for nil consideration and were granted in accordance with performance guidelines established by the Nomination and Remuneration Committee. As the instruments issued in 2016 have a nil exercise price, they represent performance rights; these are referred to as "options" in these financial statements and the accompanying directors' report.

Note 33. Share-based payments (continued)

Set out below are summaries of options granted under the plan:

	Number of options 2022	Weighted average exercise price 2022	Number of options 2021	Weighted average exercise price 2021
Outstanding at the beginning of the financial year	500,000	$0.05	-	$0.00
Granted	-	$0.00	750,000	$0.05
Forfeited	-	$0.00	(250,000)	$0.05
Expired	-	$0.00	-	$0.00
Outstanding at the end of the financial year	500,000	$0.05	500,000	$0.05

2022

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
30/03/2021	29/03/2024	$0.05	250,000	-	-	-	250,000
04/05/2021	03/05/2024	$0.05	250,000	-	-	-	250,000
			500,000	-	-	-	500,000

2021

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
30/03/2021	29/03/2024	$0.05	-	250,000	-	-	250,000
04/05/2021	03/05/2024	$0.05	-	250,000	-	-	250,000
04/05/2021	03/05/2024	$0.05	-	250,000	-	(250,000)	-
			-	750,000	-	(250,000)	500,000
Weighted average exercise price			$0.00	$0.05	$0.00	$0.05	$0.05

500,000 options are exercisable as at 31 December 2022 (31 December 2021: 500,000).

Note 34. Contingent liabilities

The Group had no material contingent liabilities as at the date of this report (2021:nil).

Jayex Technology Limited
Directors' declaration
31 December 2022

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Michael Boyd
Chairman

30 March 2023
Melbourne

William Buck
ACCOUNTANTS & ADVISORS

Jayex Technology Limited

INDEPENDENT AUDITOR'S REPORT TO MEMBERS

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Jayex Technology Limited (the Company and its subsidiaries (the Group)), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

i. giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the year ended on that date; and

ii. 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 to the financial report, which describes that for the year ended 31 December 2022 the Group incurred a loss of $7,245,838 and net cash outflows from operating activities of $856,370. The Group also had a net current liability position of $6,620,680 at year end. These conditions, along with other matters set out in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

WilliamBuck
ACCOUNTANTS & ADVISORS

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. In addition to the matter described in *the Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment of intangible assets	
Area of focus **Refer also to notes 2 and 14**	**How our audit addressed it**
In accordance with *AASB 136 Impairment of Assets* the Group is required to, at least annually, perform an impairment assessment of goodwill, intangible assets that have an indefinite useful life or are not yet ready for use. For intangible assets with a definite useful life an assessment is required to be performed at least annually as to whether an impairment indicator exists. All intangible assets including goodwill have been allocated to the Group's single cash generating unit ("CGU"). The Group has determined that an impairment indicator exists for the definite life intangible assets in addition to the periodical testing of indefinite life intangible assets. As a result the Group assessed the recoverable amount of the underlying CGU which was supported by a value in use model. As a result of this exercise, an impairment charge of $4,722,410 was recorded which decreased the carrying value of goodwill and other intangible assets to $nil as at 31 December 2022. Due to the significance of the impairment over the carrying value of intangible assets and the judgement involved, we consider this to be a key audit matter.	Our audit procedures included: — Considering and assessing management's determination of its cash generating units ('CGU'); — Reviewing the movement in the value of goodwill and other intangible assets through the profit and loss including impairment and amortisation expenses; A detailed evaluation of the Group's budgeting procedures upon which the forecast is based and testing the principles and integrity of the value-in use model; and — Testing the accuracy of the calculation derived from the forecast model and assessing key inputs to the calculations such as revenue growth, terminal growth, gross margins, and working capital assumptions and the discount rate. We also considered the adequacy of the Group's disclosures in the notes to the financial report.

<table>
<tr><th colspan="2">Discontinued operations</th></tr>
<tr><th>Area of focus
Refer also to notes 2 and 9</th><th>How our audit addressed it</th></tr>
<tr><td>During the year, the Whakaora Hou Limited ("WHL") business was wound down as a result of a reorganisation.

This event is significant to our audit because the assessment of the classification as a discontinued operation is complex and involves a certain level of management judgement including determining the date of classification of the WHL business as held for sale and the presentation of its results separately as discontinued operations. As such this has been included as a key audit matter.

Under AASB 5 Non-current Assets Held for Sale and Discontinued Operations the business is measured at the lower of the carrying amount and its fair value less cost to sell.</td><td>Our audit procedures included:

— Determining that the WHL business met the definition of a discontinued operation as defined under AASB 5 Non-current Assets Held for Sale and Discontinued Operations; and
— Evaluating the balances as at date of winding down and ensuring that the financial performance to that date has been accurately and completely recorded.

We also ensured that these matters were completely and accurately disclosed in the financial statements.</td></tr>
<tr><th colspan="2">Financial Assets through Profit & Loss</th></tr>
<tr><th>Area of focus
Refer also to notes 2 and 12</th><th>How our audit addressed it</th></tr>
<tr><td>As at 31 December 2022, the Group held $1,414,828 of Standard Preferred Stock in Medio Labs, which is an unlisted company registered in Delaware, United States.

The directors commissioned an external expert to appraise the fair value of the asset at reporting date. The expert concluded that the historical carrying value of the investment was appropriate and within the range calculated by them. This investment is classified as a level 3 financial asset in the fair value hierarchy, carried at fair value with changes recorded in the profit or loss.

This is a key audit matter due to complexities around the accounting treatment for the initial classification and subsequent valuations of the investments. There are significant judgements involved in the valuation of level 3 investments in accordance with AASB 9 Financial Instruments and there is a risk that they have not been valued appropriately.</td><td>Our audit procedures included;

— Agreeing the stock holding to a confirmation of the share register of Brainworks Foundry Inc;
— Assessing the work, independence and skill of the external expert in calculating the value of the asset, including the appropriateness of the model employed in the calculation and the inputs and assumptions used;
— Ensuring the movement in the fair value of the asset appropriately booked to the profit or loss;
— Assessing the classification of the asset as Level 3 in the fair value hierarchy; and
— Assessing available information which may impact the value of the unlisted securities.

We also ensured that these matters were completely and accurately disclosed in the financial statements.</td></tr>
</table>

William Buck
ACCOUNTANTS & ADVISORS

<table>
<tr><th colspan="2">Convertible Notes</th></tr>
<tr><th>Area of focus
Refer also to notes 2 and 16</th><th>How our audit addressed it</th></tr>
<tr><td>The Group has issued convertible notes to a major shareholder and related party, Covenant Holdings (WA) Pty Ltd.

The convertible notes have a variable equity conversion clause, which on conversion will entitle the noteholder to acquire shares at a discount of 20% to the 30-day volume weighted average traded price of the Company's shares, subject to a price floor of 5 cents per share.

As this conversion clause is variable in nature, it is considered to be a financial derivative contract and from initial recognition it is separately fair valued on the statement of financial position, and then subsequently fair valued through the profit or loss at each reporting date.

In addition to the above, at each reporting date the Group journals an interest accrual to unwind the discount of the underlying host contract from its initial recognition through to its face value at the maturity of the notes.

The directors have represented that the convertible notes, both in the related party transactions note and in the Remuneration Report are at arms-length terms.

This is a key audit matter as accounting for convertible notes is complex and involves a certain level of management judgement.</td><td>Our audit procedures included;

— Understanding the terms of the convertible note agreement, including an assessment of the variable conversion clause as meeting the definition of an embedded derivative under accounting standards;
— Assessing the reasonableness of the inputs and assumptions used in calculating the value of the embedded derivative;
— Ensuring the movement in the fair value of the embedded derivative appropriately booked to the profit or loss; and
— Ensuring that the interest charge was appropriate in accreting value to the underlying host contract as at matures.

We also ensured that these matters were completely and accurately disclosed in the financial statements, including the directors' assertion in the related parties note disclosure that the note is at arms-length terms.</td></tr>
</table>

Other Information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 31 December 2022, but does not include the financial report and the 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 ability of the Group 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 has 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 these financial statements is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our independent auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report of the directors' report for the year ended 31 December 2022.

In our opinion, the Remuneration Report of Jayex Technology Limited, for the year ended 31 December 2022, 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.

Yours Faithfully

William Buck

William Buck Audit (Vic) Pty Ltd
ABN: 59 116 151 136

A. A. Finnis
Director

Melbourne, 30 March 2023

Jayex Technology Limited
Shareholder information
31 December 2022

The shareholder information set out below was applicable as at 28 March 2023.

Corporate governance

Refer to the Company's Corporate Governance statement at: http://jayexhealthcare.com.au/investor/corporate-governence/.

There is no current on-market buy-back.

Distribution of equity securities
Analysis of number of equity security holders by size of holding:

	Number of unquoted Share Options	Number of holders of ordinary shares
1 to 1,000	-	28
1,001 to 5,000	-	31
5,001 to 10,000	-	80
10,001 to 100,000	-	219
100,001 and over	2	170
	2	528
Holding less than a marketable parcel	-	284

Equity security holders

Twenty largest quoted equity security holders
The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	% of total shares issued
COVENANT HOLDINGS(WA)PTY LTD <BOYD#4 A/C>	103,883,880	36.93%
VECTOR LONDON LTD	19,003,378	6.76%
MARY KATHLEEN SIMCOX	17,500,000	6.22%
TURBINE CAPITAL LIMITED	8,800,000	3.13%
DONOVAN PRODUCTS PTY LTD <THE DONOVAN PRODUCTS FAM A/C>	5,025,000	1.79%
BODIE INVESTMENTS PTY LTD	5,000,000	1.78%
DONOVAN PRODUCTS PTY LTD <FAMILY ACCOUNT>	4,754,693	1.69%
MR DEAN HENRY CLEARY <THE CLEARWAY INVESTMENT A/C>	4,140,000	1.47%
COVENANT HOLDINGS (WA) PTY LTD <THE BOYD NO 3 A/C>	4,000,000	1.42%
MR JOEL DAVID WEBB	3,754,311	1.33%
MR JEREMY RUBEN & MRS VANESSA RUBEN <JVR SUPER FUND A/C>	3,008,067	1.07%
RHYD-Y-FELIN PTY LTD	3,000,000	1.07%
MRS VANESSA FAYE CONNOR	2,970,819	1.06%
CITICORP NOMINEES PTY LIMITED	2,856,663	1.02%
MR DAVID ARITI	2,839,777	1.01%
MS PHAROTH SAN & MR KADEN SAN <PKSAN SUPERFUND A/C>	2,835,172	1.01%
AMG CORPORATE PTY LTD <THE AMG SUPER FUND A/C>	2,549,000	0.91%
MR JIANJUN ZHOU	2,225,000	0.79%
MR YULIANG FAN	2,000,000	0.71%
MS CHUNYAN NIU	2,000,000	0.71%
SUPER MSJ PTY LTD <MSJ SUPER FUND A/C>	2,000,000	0.71%
INTERNATIONAL BUSINESS NETWORK (SERVICES) PTY LTD	2,000,000	0.71%
MR CHRISTOPHER JOHN KETTLE	1,913,368	0.68%
	208,059,128	73.97%

Jayex Technology Limited
Shareholder information
31 December 2022

Unquoted equity securities

	Number on issue	Number of holders
Employee options with an exercise price of $0.05 expiring 7 June 2024	250,000	1
Options with an exercise price of $0.015 expiring 7 March 2026	250,000,000	1

The following persons hold 20% or more unquoted equity securities:

Substantial holders
Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
COVENANT HOLDINGS(WA)PTY LTD <BOYD#4 A/C>	103,883,880	36.93%

The information set out above regarding the names and number of shares held by substantial holders is as disclosed in substantial holding notices given to the Company.

Voting rights
The voting rights attached to ordinary shares are set out below:

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

Options
Options do not have voting rights attached.

There are no other classes of equity securities.

Corporate Governance Statement

The Company's 2022 Corporate Governance Statement has been released to ASX on this day and is available on the Company's website at: https://www.jayex.com/en-au/investor/corporate-governance/

Annual General Meeting

Jayex Technology Limited advises that its Annual General Meeting will be held on or about Thursday, 25 May 2023. The time and other details relating to the meeting will be advised in the Notice of Meeting to be sent to all Shareholders and released to ASX immediately upon despatch.

The Closing date for receipt of nomination for the position of Director is Wednesday, 12 April 2023. Any nominations must be received in writing no later than 5.00pm (Melbourne time) on Wednesday, 12 April 2023 at the Company's Registered Office.

The Company notes that the deadline for nominations for the position of Director is separate to voting on Director elections. Details of the Directors to be elected will be provided in the Company's Notice of Annual General Meeting in due course.