

1. Company details

Name of entity:	Opyl Limited
ABN:	71 063 144 865
Reporting period:	For the year ended 30 June 2021
Previous period:	For the year ended 30 June 2020

2. Results for announcement to the market

			\$
Revenues from ordinary activities	up	23.7% to	767,719
Loss from ordinary activities after tax attributable to the owners of Opyl Limited	up	23.5% to	(1,143,432)
Loss for the year attributable to the owners of Opyl Limited	up	23.5% to	(1,143,432)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the company after providing for income tax amounted to \$1,143,432 (30 June 2020: \$925,847).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>3.92</u>	<u>1.79</u>

4. Control gained over entities

Not applicable.

5. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

6. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unmodified opinion has been issued.

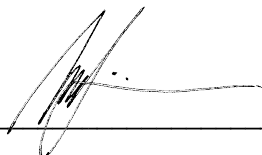
7. Attachments

Details of attachments (if any):

The Annual Report of Opyl Limited for the year ended 30 June 2021 is attached.

8. Signed

Signed _____

A handwritten signature in black ink, appearing to be "M. Ziirsen", written over a horizontal line.

Date: 26 August 2021

Mark Ziirsen
Director



Opyl Limited

ABN 71 063 144 865

Annual Report - 30 June 2021

Corporate Directory

Directors	Julian Chick - Chairman and Non-Executive Director Damon Rasheed - Executive Director Marat Basyrov - Non-Executive Director Mark Ziirsen - Non-Executive Director - Appointed 21 September 2020 Megan Robertson - Non-Executive Director - Appointed 5 May 2021
Company Secretary	David Lilja
Notice of annual general meeting	The details of the annual general meeting of Opyl Limited are: to be determined
Registered office	105 Wellington Street St Kilda, VIC 3182, Australia
Principal place of business	105 Wellington Street St Kilda, VIC 3182, Australia
Share register	Automic Pty Ltd Level 5, 126 Phillip Street Sydney NSW 2000, Australia Telephone: +1300 288 664 (within Australia); +61 2 9698 5414 (outside Australia) Email: hello@automic.com.au
Auditor	William Buck Level 20, 181 William Street Melbourne VIC 3000, Australia
Solicitor	SBA Law Level 15, 607 Bourke Street Melbourne VIC 3000, Australia JRT Partnership Level 2, 99 Queen Street Melbourne VIC 3000, Australia Montgomery Pacific LLP 150 Spear Street, Suite 800 San Francisco, CA 94105, USA
Bankers	Westpac Banking Corporation Level 13 109, St Georges Terrace Perth WA 6000, Australia First Republic Bank 44, Montgomery Street San Francisco, CA 94104, USA
Stock exchange listing	Opyl Limited shares are listed on the Australian Securities Exchange (ASX code: OPL)
Website	www.opyl.ai
Corporate Governance Statement	www.opyl.ai/investors

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Opyl Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2021.

Directors

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

Julian Chick - Chairman and Non-Executive Director

Damon Rasheed - Executive Director

Marat Basyrov - Non-Executive Director

Mark Ziirsen - Non-Executive Director

Megan Robertson - Non-Executive Director

Appointed 21 September 2020

Appointed 5 May 2021

Principal activities

The principal activities of the company during the course of the financial year were predominantly the continued development of its digital tools that improve the healthcare experience for patients, deliver deep market insights from social media data and improve the efficiency and value of clinical research process.

Dividends

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

Review of operations

During the year, Opyl Limited's operations have focused on executing the change in direction into digital health, rebuilding the R&D pipeline to deliver novel solutions for the global health and life sciences sector improving the current service offering and to also provide upside value in terms of the scalability potential of the artificial intelligence platforms to deliver market research and clinical trial efficiency outcomes.

Opyl delivered to expectations for the financial year ended 30 June 2021. Completing the year of realignment in the global digital health market, Opyl efficiently advanced a healthy R&D pipeline of three novel artificial intelligence platforms, launching two of the platforms into beta testing within the Opyl client services offering, initiating the first critical stage of a scaled roll out.

The statement of profit or loss and other comprehensive income shows a loss of \$1,143,432 (2020: \$925,847) for the year. Opyl has no bank debt. As at 30 June 2021 Opyl had a cash position of \$2,316,340 (2020: \$800,088). Operating, financing and investing activities incurred a net cash inflow for the year of \$1,516,252 (2020: \$710,005).

Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the Group based on known information. Other than as addressed in ASX announcements, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the Group unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic

Opyl has received \$118,718 of COVID-19 related government PAYGW cash booster grants. The company has also received \$67,500 of JobKeeper payments.

Operational progress

During the year Opyl concentrated on delivering the Opin (www.opin.ai) platform build to an operational stage, allowing the company to successfully launch the platform on 21 May 2021 and expand its offering and unlocking new revenue in the clinical trial recruitment sector.

Retainer clients and social media insights project clients continue to generate consistent revenue. A strategic alliance with UK-based marketing agency huuman was mutually concluded following the loss of their Australian-based sales resource within Quarter 4. Opyl continues to work with biopharma clients that were gained through the alliance.

Opyl is now in a strong financial position after the recent capital raise, and with the maintenance of revenue from retainer and insight project clients, to continue the development of Opin revealing new novel automated and predictive features planned for the coming months.

Opyl successfully completed its capital raise efforts in Quarter 3 through the launch of a private placement and a share purchase plan. The proceeds from the private placement and share purchase plan, totalling \$2,680,011 before costs.

Complementing its capital raise efforts, on 22 February 2021, Opyl implemented an off-market share buy-back facility for all the shares held by shareholders who held unmarketable parcels of shares in the Company. A total of 373,355 shares were acquired via the buy-back and consequently cancelled at a cost of \$66,090, that will be recovered through reduced future administration costs.

Full details of movements in share capital for the year are detailed in note 11 to the financial statements.

Board and leadership changes

Mr Mark Ziirsen and Dr Megan Robertson were appointed as a non-executive directors on 21 September 2020 and 5 May 2021 respectively.

Mr Damon Rasheed moved into an executive director role to leverage his expertise in the artificial intelligence space.

There were no other changes to the board or leadership team during the period.

Significant changes in the state of affairs

As discussed previously, the significant change to the company was in executing the change in direction into digital health, rebuilding the R&D pipeline to deliver novel solutions to the global health and life sciences sector improving the current service offering and to also as add upside value in terms of the scalability potential of the artificial intelligence platforms to deliver market research and clinical trial efficiency outcomes.

Matters subsequent to the end of the financial year

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially negative for the consolidated entity up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

As announced on 6 August 2021, the company issued 90,000 option securities under the employee incentive scheme to eligible employees.

Likely developments and expected results of operations

Opyl Limited anticipates that as the group grows and rolls out new service offerings and continues to commercialise Opin, it will continue to increase its revenue and decrease its loss, quarter over quarter, as it drives operational efficiencies, expands revenue generating client services, advances new digital and data technology offerings in healthcare and optimise overall company functionality and sustainability.

The company has a significant number of active client proposals and discussions associated with the new services in the market and anticipates that the coming year will see these start to convert to contracts and therefore increase overall company revenue validating the strategy and services.

Environmental regulation

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

Information on directors

Name: Dr Julian Chick
Title: Chairman and Non-Executive Director
Experience and expertise: Julian is an executive with more than 25 years of experience in the biotechnology and medical technology industry as well as five years in investment banking.

Leading public and private companies, Julian's previous roles include investment adviser, healthcare analyst for private equity investors, portfolio manager, investment banker and venture capitalist.

Julian has advanced a number of technologies from discovery through to market as well as leading numerous capital raisings, M&A transactions, company restructuring, business development and licensing transactions.

Other current directorships: N/A
Former directorships (last 3 years): N/A
Interests in shares: 614,741 ordinary shares
Interests in options: 484,998

Name: Damon Rasheed
Title: Executive Director
Experience and expertise: Damon has more than 20 years' experience in the tech sector, including founding several successful start-ups. He is the founder of Rate Detective Group, one of Australia's largest financial comparison websites. He is also the co-founder of Advantage Data, a leading machine learning and AI consultancy business. His most recent venture is Aurum Data which has built a propriety AI model to value data and discover commercialisation strategies for data sets. He has sat on the boards of several private technology companies both in Australia and overseas.

Damon's former roles include CEO of iBus Media Limited, one of the world's largest online media companies and as an economist assessing mergers at the Australian Competition and Consumer Commission (ACCC).

Damon holds a Masters Degree in Commerce (Hons) and a Degree in Economics (Hons) majoring in statistics.

Other current directorships: N/A
Former directorships (last 3 years): N/A
Interests in shares: 192,667 ordinary shares
Interests in options: 429,998

Name: Marat Basyrov
Title: Non-Executive Director
Experience and expertise: Marat is an experience investor and serial entrepreneur, applying creative and technology-forward data and digital solutions across a large cross-section of industries to solve complex challenges. He sits on the board of advisors to Forbes AI.

As a Chief Executive Officer of artificial intelligence software and app solutions provider, Edway Apps Studio and Intelligent Profit Solutions, Marat has a track record of success through building a number of data-driven startup companies including Adevi.io.

Marat has a broad high-value professional network of directors, investors and collaborators across the globe. He holds a Bachelor of Business in Accounting and Management from Central Queensland University and is a Certified Practicing Accountant (Australia).

Other current directorships: N/A
Former directorships (last 3 years): N/A
Interests in shares: 802,000 ordinary shares
Interests in options: 429,998

Name: Mark Ziirsen (Appointed 21 September 2020)
Title: Non-Executive Director
Experience and expertise: Mark is an experienced ASX listed, non-executive director and CFO. He served as non-executive director and chair of Respi Limited, an eHealth SaaS company supporting respiratory health management, and as non-executive director and chair of the Audit and Risk Committee of Orcoda Limited, a SaaS-based technology company. His executive career includes senior finance leadership roles with major ASX listed companies including Cochlear Limited, Aristocrat Leisure Limited, Coca-Cola Amatil Limited and Goldman Fielder Limited.

He commenced his career with EY in business advisory, tax and management consulting. Most recently, he was CFO and company secretary for Wiseway Group Limited where he successfully led the company through an IPO, listing on ASX. Immediately prior to that he was CFO of listed global medtech company Anteris Technologies Limited and before that, Director of Finance and IT for Asia Pacific at hearing implant maker Cochlear Limited.

Mark's qualifications include a Bachelor of Commerce, CPA designation and an MBA majoring in international business. He is also a member of the Australian Institute of Company Directors.

Other current directorships: N/A
Former directorships (last 3 years): Respi Limited (May 2018 - November 2018)
Interests in shares: -
Interests in options: 300,000

Name: Dr Megan Robertson (Appointed 5 May 2021)
Title: Non-Executive Director
Experience and expertise: Megan is an alumna of the University of Melbourne where she completed a Bachelor of Medicine, Bachelor of Surgery (MBBS). She is the current Group Chief Research Officer at St Vincent's Health Australia and Director of Research at St Vincent's Hospital, Melbourne. She also works as a Senior Intensive Care Consultant at Epworth Healthcare (Richmond and Freemasons). She is on the boards of the Digital Health CRC, St Vincent's Institute of Medical Research, FearLess (PTSD-ANZ), Queen's College (University of Melbourne) and the Tuckwell Scholarship Selection Panel at ANU. She also works with national bodies including the Australian Commission on Safety and Quality in Healthcare, AusBiotech and the National Health and Medical Research Council. Previously, she held positions as the Director of Professional Affairs, CICM, as the Executive Director of Research at Epworth HealthCare and as the Co-Director of the Intensive Care Unit at Epworth Freemasons.

She has successfully led major initiatives in the St Vincent's Research Directorate including the establishment of the St Vincent's Research Valet Service, development of the Victorian Clinical Trial Gateway portal, Clinical Trials Business Development model, facilitated research activities of the research Governance Unit, and built linkages between clinicians/researchers and industry, as well as linkages between clinicians/researchers and community.

Megan is a fellow of the Royal Australian College of Physicians (FRACP), the Australian and New Zealand College of Anaesthetists (FANZCA) and the College of Intensive Care Medicine (FCICM).

Other current directorships: N/A
Former directorships (last 3 years): N/A
Interests in shares: -
Interests in options: -

'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

David Lilja

David Lilja is a qualified accountant and experienced company secretary with over 20 years' within the professional services industry working across a wide range of industries. David will supply his services through his firm, DLK Advisory, which provides a breadth of support to its clients including outsourced CFO and company secretarial services.

Meetings of directors

The number of meetings of the company's board of directors ('the Board') held during the year ended 30 June 2021, and the number of meetings attended by each director were:

	Attended	Held
Julian Chick	12	12
Damon Rasheed	12	12
Marat Basyrov	12	12
Mark Ziirsen*	9	9
Megan Robertson*	2	2

Held: represents the number of meetings held during the time the director held office.

* Mark Ziirsen and Megan Robertson did not attend meetings prior to their appointments.

There were 12 meetings of directors held during the year ended 30 June 2021.

Remuneration report (audited)

The remuneration report details the key management personnel remuneration arrangements for the company, 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:

- 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 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
- Capital management

The company has structured an executive remuneration framework that is market competitive and complimentary to the reward strategy of the organisation.

Alignment to shareholders' and program participants' interests:

- Focuses on sustained growth in shareholder wealth
- Attracts and retains high calibre executives
- Rewards capability and experience
- Provides a clear structure for earning rewards

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

Non-executive and 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 Board. The Board may, from time to time receive advice from independent remuneration consultants to ensure non-executive director's fees and payments are appropriate and in line with the market.

ASX listing rules require the aggregate non-executive director's remuneration be determined periodically by a general meeting. The most recent determinations was at the Annual General Meeting held on 27 November 2015, where the shareholders approved a maximum annual aggregate remuneration of \$300,000.

Voting and comments made at the Company's 2020 Annual General Meeting ('AGM')

At the 2020 AGM, more than 75% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2020. 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 company are set out in the following tables.

The key management personnel of the company consisted of the following directors and other personnel of the company:

- Julian Chick - Chairman - Non-Executive Director
- Damon Rasheed - Executive Director
- Marat Basyrov - Non-Executive Director
- Mark Ziirsen - Non-Executive Director
- Megan Robertson - Non-Executive Director
- Michelle Gallaher - Chief Executive Officer

30 June 2021	Short-term benefits	Post-employment benefits	Short-term benefits	Long-term benefits	Share-based payments	Total
	Cash salary and fees	Super-annuation	non-monetary and Annual leave	and Long service leave	Equity-settled option	
	\$	\$	\$	\$	\$	\$
<i>Non-executive directors:</i>						
Marat Basyrov*	40,000	3,800	-	-	41,200	85,000
Julian Chick*	40,000	3,800	-	-	41,200	85,000
Mark Ziirsen**	31,212	2,965	-	-	41,200	75,377
Megan Robertson***	6,349	603	-	-	-	6,952
<i>Executive Directors:</i>						
Damon Rasheed*^	40,000	3,800	-	-	41,200	85,000
<i>Other Key Management Personnel:</i>						
Michelle Gallaher****	230,000	21,850	13,404	13,230	-	278,484
	<u>387,561</u>	<u>36,818</u>	<u>13,404</u>	<u>13,230</u>	<u>164,800</u>	<u>615,813</u>

*The equity settled options were issued and vested immediately on 10 December 2020.

**Appointed 21 September 2020.

***Appointed 5 May 2021.

****Michelle Gallaher's long-service leave was not accrued in prior years, the amount recorded in the current year is her current full entitlement.

^Became an Executive Director on 21 September 2020.

	Short-term benefits	Post-employment benefits	Short-term benefits non-monetary and Annual leave	Share-based payments Equity-settled option	Total
30 June 2020	Cash salary and fees \$	Super-annuation \$	\$	\$	\$
<i>Non-executive directors:</i>					
Damon Rasheed*	40,000	3,800	-	13,189	56,989
Marat Basyrov*	40,000	3,800	-	21,203	65,003
Julian Chick*	40,000	3,800	-	50,958	94,758
<i>Other Key Management Personnel:</i>					
Michelle Gallaher*	217,479	21,850	12,521	53,100	304,950
	<u>337,479</u>	<u>33,250</u>	<u>12,521</u>	<u>138,450</u>	<u>521,700</u>

*A portion of these equity settled options includes vesting charge for share-based payments granted in prior years.

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

Name	Fixed remuneration		At risk - LTI	
	30 June 2021	30 June 2020	30 June 2021	30 June 2020
<i>Non-Executive Directors:</i>				
Marat Basyrov	52%	67%	48%	33%
Julian Chick	52%	46%	48%	54%
Mark Ziirsens*	45%	-	55%	-
Megan Robertson**	100%	-	-	-
<i>Executive Directors:</i>				
Damon Rasheed^	52%	77%	48%	23%
<i>Other Key Management Personnel:</i>				
Michelle Gallaher	100%	83%	-	17%

*Appointed 21 September 2020.

**Appointed 5 May 2021.

^Became an Executive Director on 21 September 2020.

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: Michelle Gallaher
Title: Chief Executive Officer
Agreement commenced: 14 March 2019
Term of agreement:

(a) Remuneration: Fixed annual salary \$230,000 (inclusive of director's fees) plus 10% employer superannuation contribution;

(b) Short-term incentives: the Board may, at its discretion, determine that Ms Gallaher may be eligible for short-term incentives in the form of a cash bonus;

(c) Non-cash benefits: the Board may, at its discretion, determine that Ms Gallaher may participate in the company's share plan, subject to shareholder and regulatory approval;

(d) Termination: the company and Ms Gallaher may terminate the Executive Services Agreement without cause giving the other party six months' notice.

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

As at 30 June 2021, no other key management personnel have any service agreement with the consolidated entity.

Share-based compensation

Issue of shares

There were no shares issued to directors and other key management personnel as part of compensation during the year ended 30 June 2021.

Options

The terms and conditions of each grant of options over ordinary shares affecting remuneration of directors and other key management personnel in this financial year or future reporting years 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
Damon Rasheed	100,000	10/12/2020	10/12/2020	10/12/2025	\$0.300	\$0.144
	100,000	10/12/2020	10/12/2020	10/12/2025	\$0.500	\$0.137
	100,000	10/12/2020	10/12/2020	10/12/2025	\$0.750	\$0.131
Marat Basyrov	100,000	10/12/2020	10/12/2020	10/12/2025	\$0.300	\$0.144
	100,000	10/12/2020	10/12/2020	10/12/2025	\$0.500	\$0.137
	100,000	10/12/2020	10/12/2020	10/12/2025	\$0.750	\$0.131
Julian Chick	100,000	10/12/2020	10/12/2020	10/12/2025	\$0.300	\$0.144
	100,000	10/12/2020	10/12/2020	10/12/2025	\$0.500	\$0.137
	100,000	10/12/2020	10/12/2020	10/12/2025	\$0.750	\$0.131
Mark Ziirsen	100,000	10/12/2020	10/12/2020	10/12/2025	\$0.300	\$0.144
	100,000	10/12/2020	10/12/2020	10/12/2025	\$0.500	\$0.137
	100,000	10/12/2020	10/12/2020	10/12/2025	\$0.750	\$0.131

Options granted carry no dividend or voting rights.

Additional information

The earnings of the company for the five years to 30 June 2021 are summarised below:

	2021	2020	2019	2018	2017
	\$	\$	\$	\$	\$
Sales revenue	767,719	620,783	927,041	390,956	169,094
Loss after income tax	(1,143,432)	(934,904)	(3,105,138)	(3,035,627)	(3,228,403)

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

	2021	2020	2019	2018	2017
Share price at financial year end (\$)	0.180	0.087	0.001	0.005	0.007
Basic earnings per share (cents per share)	(2.821)	(6.785)	(0.180)	(0.330)	(0.810)
Diluted earnings per share (cents per share)	(2.821)	(6.785)	(0.180)	(0.330)	(0.810)

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 company, including their personally related parties, is set out below:

	Balance at the start of the year	Additions	Balance at the end of the year
<i>Ordinary shares</i>			
Julian Chick	464,741	150,000	614,741
Damon Rasheed	40,000	152,667	192,667
Marat Basyrov *	802,000	-	802,000
Megan Robertson	-	-	-
Mark Ziirsen	-	-	-
Michelle Gallaher	100,000	-	100,000
	<u>1,406,741</u>	<u>302,667</u>	<u>1,709,408</u>

*On the 17 June 2021, Marat Basyrov completed the off-market transfer of 802,000 personally held shares to a related party.

The additions of ordinary shares to key management personnel arose from the purchase of on-market shares at market value.

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 company, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Balance at the end of the year
<i>Options over ordinary shares</i>			
Julian Chick	184,998	300,000	484,998
Damon Rasheed	129,998	300,000	429,998
Marat Basyrov	129,998	300,000	429,998
Mark Ziirsen	-	300,000	300,000
Megan Robertson	-	-	-
Michelle Gallaher	90,000	-	90,000
	<u>534,994</u>	<u>1,200,000</u>	<u>1,734,994</u>

	Vested options	Unvested options	Balance at the end of the year
<i>Options over ordinary shares</i>			
Julian Chick	448,332	36,666	484,998
Damon Rasheed	393,332	36,666	429,998
Marat Basyrov	393,332	36,666	429,998
Mark Ziirsen	300,000	-	300,000
Megan Robertson	-	-	-
Michelle Gallaher	90,000	-	90,000
	<u>1,624,996</u>	<u>109,998</u>	<u>1,734,994</u>

During the financial year ended 30 June 2021, the consolidated entity did not employ or use the services of remuneration consultants.

Other transactions with key management personnel and their related parties

During the financial year ended 30 June 2021, RDI Consulting Pty Ltd and Edway Media Pty Ltd have been engaged to develop software for a machine learning/artificial intelligence algorithm which can predict the likelihood of clinical trial passing its primary objective. A total of \$268,574 has been incurred.

	30 June 2021
	\$
RDI Consulting	132,035
Edway Media Pty Ltd	<u>136,539</u>
	<u><u>268,574</u></u>

As Damon Rasheed is a shareholder of RDI Consulting, RDI Consulting is considered a related party. Marat Basyrov is a shareholder of Edway Media Pty Ltd, Edway Media Pty Ltd is also considered a related party.

Performance rights over ordinary shares

There were no performance rights issued over ordinary shares during the financial year.

This concludes the remuneration report, which has been audited.

Shares under option and performance rights

Unissued ordinary shares of Opyl Limited under option at the date of this report are as follows:

Grant date	Expiry date	Exercise price	Number under option
15/12/2016	05/12/2026	\$1.200	42,480
06/02/2017	06/02/2027	\$0.800	6,000
20/03/2017	20/03/2027	\$2.500	14,916
01/04/2017	01/04/2027	\$0.600	60,000
27/06/2017	27/06/2022	\$0.500	30,000
10/11/2017	10/11/2022	\$0.500	36,666
21/02/2018	05/06/2022	\$0.700	80,000
21/02/2018	13/04/2022	\$0.500	118,421
21/02/2018	20/02/2023	\$0.600	30,000
06/03/2018	04/05/2023	\$0.500	90,000
17/04/2018	17/04/2023	\$0.500	40,000
04/05/2018	04/05/2023	\$0.500	25,000
24/07/2018	24/07/2023	\$0.100	250,000
15/10/2018	18/09/2023	\$0.400	3,000
15/10/2018	09/06/2023	\$0.400	3,000
15/10/2018	06/03/2023	\$0.400	7,500
15/10/2018	06/03/2023	\$0.400	20,000
08/02/2019	08/02/2024	\$0.500	109,998
21/03/2019	21/03/2024	\$0.500	109,998
13/05/2019	13/05/2024	\$0.500	109,998
27/11/2019	27/11/2024	\$0.300	20,000
27/11/2019	27/11/2024	\$0.300	20,000
27/11/2019	27/11/2024	\$0.300	20,000
10/12/2019	29/01/2024	\$0.800	2,335,000
07/11/2020	07/11/2025	\$0.300	400,000
07/11/2020	07/11/2025	\$0.500	400,000
07/11/2020	07/11/2025	\$0.750	400,000
			4,781,977

Shares issued on the exercise of options

There were no ordinary shares of Opyl Limited issued on the exercise of options during the year ended 30 June 2021 and up to the date of this report.

Indemnity and insurance of officers

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

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

There were no non-audit services provided during the financial year by the auditor.

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.

Non-audit services

There were no non-audit services provided during the financial year by the auditor.

Officers of the company who are former partners of William Buck

There are no officers of the company who are former partners of William Buck.

Auditor

William Buck continues in office in accordance with section 327 of the Corporations Act 2001.

Auditor's independence declaration

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

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

On behalf of the directors



Mark Ziirsen
Director

26 August 2021

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

I declare that, to the best of my knowledge and belief during the year ended 30 June 2021 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



N. S. Benbow
Director

Melbourne, 26th August 2021

ACCOUNTANTS & ADVISORS

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Melbourne VIC 3000
Telephone: +61 3 9824 8555
williambuck.com

Opyl Limited
Contents
30 June 2021

Consolidated statement of profit or loss and other comprehensive income	18
Consolidated statement of financial position	19
Consolidated statement of changes in equity	20
Consolidated statement of cash flows	21
Notes to the consolidated financial statements	22
Directors' declaration	41
Independent auditor's report to the members of Opyl Limited	42
Shareholder information	44

General information

The financial statements cover Opyl Limited as a consolidated entity. The financial statements are presented in Australian dollars, which is Opyl Limited's functional and presentation currency.

Opyl Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

105 Wellington Street
St Kilda, VIC 3182, Australia

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 26 August 2021. The directors have the power to amend and reissue the financial statements.

Opyl Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2021

	Note	30 June 2021 \$	30 June 2020 \$
Revenue from contracts with customers	4	767,719	620,783
Other income	5	472,294	296,046
Expenses			
Employee benefits expense		(1,164,936)	(802,565)
Depreciation and amortisation expense	6	(4,281)	(848)
Corporate compliance and management		(121,489)	(71,466)
Finance costs	6	(2,168)	(25,105)
Occupancy costs		(41,400)	(48,449)
Administration		(716,906)	(758,338)
Consultancy costs		(63,691)	(93,503)
Research & development costs		(268,574)	-
Loss before income tax expense		(1,143,432)	(883,445)
Income tax expense		-	(42,402)
Loss after income tax expense for the year attributable to the owners of Opyl Limited		(1,143,432)	(925,847)
Other comprehensive loss			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		-	(9,057)
Other comprehensive loss for the year, net of tax		-	(9,057)
Total comprehensive loss for the year attributable to the owners of Opyl Limited		<u>(1,143,432)</u>	<u>(934,904)</u>
		Cents	Cents
Basic earnings per share	23	(2.831)	(6.785)
Diluted earnings per share	23	(2.831)	(6.785)

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

Opyl Limited
Consolidated statement of financial position
As at 30 June 2021



	Note	30 June 2021 \$	30 June 2020 \$
Assets			
Current assets			
Cash and cash equivalents	7	2,316,340	800,088
Trade and other receivables	8	98,445	60,990
Prepayments and other deposits		10,797	8,098
Total current assets		<u>2,425,582</u>	<u>869,176</u>
Non-current assets			
Property, plant and equipment		18,734	8,539
Capitalised software development		58,054	58,054
Total non-current assets		<u>76,788</u>	<u>66,593</u>
Total assets		<u>2,502,370</u>	<u>935,769</u>
Liabilities			
Current liabilities			
Trade and other payables	9	211,041	170,626
Employee benefits	10	77,769	45,967
Total current liabilities		<u>288,810</u>	<u>216,593</u>
Non-current liabilities			
Employee benefits	10	25,941	-
Total non-current liabilities		<u>25,941</u>	<u>-</u>
Total liabilities		<u>314,751</u>	<u>216,593</u>
Net assets		<u>2,187,619</u>	<u>719,176</u>
Equity			
Issued capital	11	19,271,401	16,837,024
Reserves	12	327,560	885,062
Accumulated losses		(17,411,342)	(17,002,910)
Total equity		<u>2,187,619</u>	<u>719,176</u>

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

Opyl Limited
Consolidated statement of changes in equity
For the year ended 30 June 2021

	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2019	14,826,597	1,076,931	(16,306,333)	(402,805)
Loss after income tax expense for the year	-	-	(925,847)	(925,847)
Other comprehensive loss for the year, net of tax	-	(9,057)	-	(9,057)
Total comprehensive loss for the year	-	(9,057)	(925,847)	(934,904)
Shares issued during the year	2,119,612	-	-	2,119,612
Cost of issue	(109,185)	-	-	(109,185)
Lapse of expired options	-	(229,270)	229,270	-
Vesting charge for share-based payments	-	46,458	-	46,458
Balance at 30 June 2020	<u>16,837,024</u>	<u>885,062</u>	<u>(17,002,910)</u>	<u>719,176</u>
	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2020	16,837,024	885,062	(17,002,910)	719,176
Loss after income tax expense for the year	-	-	(1,143,432)	(1,143,432)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(1,143,432)	(1,143,432)
Shares issued during the year	2,680,011	-	-	2,680,011
Cost of issue	(179,544)	-	-	(179,544)
Lapse of expired options	-	(735,000)	735,000	-
Share buy-back	(66,090)	-	-	(66,090)
Vesting charge for share-based payments	-	177,498	-	177,498
Balance at 30 June 2021	<u>19,271,401</u>	<u>327,560</u>	<u>(17,411,342)</u>	<u>2,187,619</u>

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

Opyl Limited
Consolidated statement of cash flows
For the year ended 30 June 2021



	Note	30 June 2021	30 June 2020
		\$	\$
Cash flows from operating activities			
Receipts from customers		710,308	745,910
Government grants and tax incentives		472,250	290,794
Payments to suppliers and employees		(2,036,353)	(2,057,499)
Interest received		46	5,257
		<u>(853,749)</u>	<u>(1,015,538)</u>
Income taxes paid		(49,900)	(13,454)
		<u>(903,649)</u>	<u>(1,028,992)</u>
Net cash used in operating activities	22	<u>(903,649)</u>	<u>(1,028,992)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(14,476)	(9,387)
Payments for intangibles		-	(58,054)
		<u>(14,476)</u>	<u>(67,441)</u>
Net cash used in investing activities		<u>(14,476)</u>	<u>(67,441)</u>
Cash flows from financing activities			
Proceeds from issue of shares	11	2,680,011	2,019,612
Share issue transaction costs	11	(179,544)	(109,185)
Share buy-back costs	11	(66,090)	-
Repayment of borrowings		-	(103,989)
		<u>2,434,377</u>	<u>1,806,438</u>
Net cash from financing activities		<u>2,434,377</u>	<u>1,806,438</u>
Net increase in cash and cash equivalents		1,516,252	710,005
Cash and cash equivalents at the beginning of the financial year	7	800,088	99,140
Effects of exchange rate changes on cash and cash equivalents		-	(9,057)
		<u>2,316,340</u>	<u>800,088</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>2,316,340</u></u>	<u><u>800,088</u></u>

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

Note 1. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

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

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

Conceptual Framework for Financial Reporting (Conceptual Framework)

The consolidated entity has adopted the revised Conceptual Framework from 1 July 2020. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

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')

Historical cost convention

The financial statements have been prepared under the historical cost convention.

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 2.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 19.

The parent entity disclosure related to the legal parent entity, Opyl Limited.

Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Opyl Limited ('company' or 'parent entity') as at 30 June 2021 and the results of all subsidiaries for the year then ended. Opyl Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

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 involvements 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 acquisitions 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.

Note 1. Significant accounting policies (continued)

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Foreign currency translation

The financial statements are presented in Australian dollars, which is Opyl 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.

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

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are recognised as a refund liability.

Rendering of services

The consolidated entity primarily generates revenue from sale of its annual subscription services, which enable its customer to access an online platform that allows them to search and source user generated content. The consolidated entity also sells advertising and content services that are sold in a one-off basis rather than a subscription model.

The consolidated entity recognises subscription revenue over the subscription period (generally 1 year) on a straight-line basis. For contracts where the consolidated entity is able to provide advertising services for a specific contract period, advertising revenue is recognised ratably over the advertising term.

In relation to the revenue streams of the consolidated entity, the main revenue streams are recognised as follows:

SaaS revenue - This refers to SaaS platform that customers pay for in order to be compliant in how they market to consumers, gather data and respect consumer privacy. Revenue from the sale of annual subscription services, which enable customers to access an online platform that allows them to search and source user generated content, is recognised over the subscription period (generally 1 year) on a straight line basis. The performance obligation is satisfied over time. As at 30 June 2021, there is no deferred SaaS revenue as the consolidated group does not have any outstanding performance obligations.

Note 1. Significant accounting policies (continued)

Retainer revenue - For retainer contracts, revenue from its social media marketing agency arm is recognised when the performance obligations are satisfied over time.

Project revenue - Project revenue is from ad-hoc projects. For project contracts, revenue is recognised when the performance obligations are satisfied at a point in time.

Interest

Interest revenue 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.

Other revenue

Other revenue is recognised when it is received or when the right to receive payment is established.

Deferred revenue

Deferred revenue includes billings or payments received in advance of revenue recognition and is recognised as the revenue recognition criteria are met. Deferred revenue primarily consists of unearned portion of subscription fees.

Government grants

Government grants are recognised in the profit or loss on a systematic basis over the periods in which the Consolidated entity recognises, as expenses, the related costs for which the grants are intended 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 and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

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

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.

Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Note 1. Significant accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents includes 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.

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.

Capitalised development costs

As the consolidated entity recognises development costs, these costs are capitalised and recognised as an asset when certain conditions are met. This means that expenditure arising during the development phase is only capitalised if the project is assessed to be technically and commercially feasible, we are able to use or sell the asset and we have sufficient resources and intent to complete the development. Internally generated intangible assets have a finite life and are amortised on a straight-line basis over their useful lives, usually 3 years. Amortisation of internally generated intangible assets commences when the assets are ready for use.

Trade and other payables

Trade and other payables present liabilities for goods and services provided to the consolidated entity prior to year end that are unpaid and arise when the consolidated entity becomes obliged to make future payments in respect of the purchase of those goods and services. The amounts are unsecured and are usually paid within 30 days of recognition. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

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.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred.

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.

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 and cash-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.

Note 1. Significant accounting policies (continued)

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either 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 company receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

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 company or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the company 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.

Note 1. Significant accounting policies (continued)

Earnings per share

Basic earnings per share

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

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 2. 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.

Share-based payment transactions

The company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Binomial or Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

Allowance for expected credit losses

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience, historical collection rates, the impact of the Coronavirus (COVID-19) pandemic and forward-looking information that is available. The allowance for expected credit losses, as disclosed in note 8, is calculated based on the information available at the time of preparation. The actual credit losses in future years may be higher or lower.

Non-recognition of deferred tax assets

We apply management judgement to recognise a deferred tax asset and review its carrying amount at each reporting date. The carrying amount is only recognised to the extent that it is probable that sufficient taxable profit will be available in the future to utilise this benefit. Any amount unrecognised could be subsequently recognised if it has become probable that future taxable profit will allow us to benefit from this deferred tax asset.

Note 2. Critical accounting judgements, estimates and assumptions (continued)

Non-recognition of R&D tax offset receivable

For financial reporting purposes, the R&D tax offset is analogised as other income see note 5. A credit will be recognised within other income when the entity satisfies the criteria to receive the credit. The criteria is usually satisfied post reporting date upon lodgment of the Consolidated group's income tax return and as such management has opted to treat R&D tax refunds on a cash basis and recorded in the year they are received.

Note 3. Operating segments

Identification of reportable operating segments

The consolidated entity currently operates in one geographical segment. Performances are monitored per individual entity basis.

The Chief Operating Decision Maker (CODM) reviews cash flows, revenue and profit / loss before tax. The CODM reviews the operations as one consolidated business. 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.

Types of products and services

The principal products and services of each of these operating segments are as follows:

Opyl Services - Opyl's social media marketing agency providing client services and account management layer behind the group's technology properties. The main revenue streams are retainer revenue and project revenue.

Operating segment information

	Opyl Services	ShareRoot Inc	Ludomade	Opyl Limited	Total
30 June 2021	\$	\$	\$	\$	\$
Revenue					
Sales to external customers	767,719	-	-	-	767,719
Other revenue	159,817	-	-	312,432	472,249
Total revenue	<u>927,536</u>	<u>-</u>	<u>-</u>	<u>312,432</u>	<u>1,239,968</u>
EBITDA	49,783	-	-	(1,186,812)	(1,137,029)
Depreciation and amortisation	(4,281)	-	-	-	(4,281)
Interest revenue	-	-	-	46	46
Finance costs	(2,168)	-	-	-	(2,168)
Profit/(loss) before income tax expense	<u>43,334</u>	<u>-</u>	<u>-</u>	<u>(1,186,766)</u>	<u>(1,143,432)</u>
Income tax expense					-
Loss after income tax expense					<u>(1,143,432)</u>

Note 3. Operating segments (continued)

30 June 2020	Opyl Services (formerly The Social Science) \$	ShareRoot Inc \$	Ludomade \$	Opyl Limited (formerly ShareRoot Limited) \$	Total \$
Revenue					
Sales to external customers	541,648	37,204	39,023	-	617,875
Other revenue	57,736	2,908	-	233,057	293,701
Total revenue	<u>599,384</u>	<u>40,112</u>	<u>39,023</u>	<u>233,057</u>	<u>911,576</u>
EBITDA	(120,238)	1,584	4,829	(748,924)	(862,749)
Depreciation and amortisation	(848)	-	-	-	(848)
Interest revenue	4,134	-	-	1,123	5,257
Finance costs	(21,074)	-	-	(4,031)	(25,105)
Profit/(loss) before income tax expense	<u>(138,026)</u>	<u>1,584</u>	<u>4,829</u>	<u>(751,832)</u>	<u>(883,445)</u>
Income tax expense					(42,402)
Loss after income tax expense					<u>(925,847)</u>

Geographical information

	Sales to external customers	
	30 June 2021	30 June 2020
	\$	\$
Australia	767,719	541,648
USA	-	76,227
	<u>767,719</u>	<u>617,875</u>

Note 4. Revenue from contracts with customers

	30 June 2021	30 June 2020
	\$	\$
SaaS revenue	-	37,204
Retainer revenue	415,329	398,520
Project revenue	340,645	118,048
Web	-	39,023
Other	11,745	27,988
Revenue from contracts with customers	<u>767,719</u>	<u>620,783</u>

As at 30 June 2021 there were no revenues not recognised due to unfulfilled contracts (30 June 2020: NIL).

Disaggregation of revenue

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

	30 June 2021	30 June 2020
	\$	\$
<i>Timing of revenue recognition</i>		
Services transferred at a point in time	352,390	185,059
Services transferred over time	415,329	435,724
	<u>767,719</u>	<u>620,783</u>

Note 4. Revenue from contracts with customers (continued)

Major customer revenue contribution

	30 June 2021	30 June 2020
	\$	\$
PharmiWeb Solutions Australia Pty Ltd Revenue amount	<u>198,040</u>	<u>-</u>
Revenue portion of total revenue	26%	

Note 5. Other income

	30 June 2021	30 June 2020
	\$	\$
Government subsidy	118,718	75,820
COVID 19 - Jobkeeper	67,500	30,000
Interest income	46	5,252
R&D tax refund	249,001	184,974
Government Grants	<u>37,029</u>	<u>-</u>
Other income	<u>472,294</u>	<u>296,046</u>

Note 6. Expenses

	30 June 2021	30 June 2020
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Finance costs</i>		
Interest and finance charges paid/payable	<u>2,168</u>	<u>30,214</u>
<i>Shares issued to employees</i>		
Share based payments	<u>177,498</u>	<u>46,458</u>
<i>Superannuation expense</i>		
Defined contribution superannuation expense	<u>83,585</u>	<u>66,498</u>

Note 7. Cash and cash equivalents

	30 June 2021	30 June 2020
	\$	\$
<i>Current assets</i>		
Cash on hand	12	12
Cash at bank	<u>2,316,328</u>	<u>800,076</u>
	<u>2,316,340</u>	<u>800,088</u>

Note 8. Trade and other receivables

	30 June 2021	30 June 2020
	\$	\$
<i>Current assets</i>		
Trade receivables	118,502	62,842
Less: Allowance for expected credit losses	<u>(20,057)</u>	<u>(1,852)</u>
	<u>98,445</u>	<u>60,990</u>

Allowance for expected credit losses

The company has recognised a loss of (\$20,057) (2020: (\$1,852)) in profit or loss in respect of the expected credit losses for the year ended 30 June 2021.

Management believes that the amounts that are past due by more than 30 days are still collectable in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customer's credit scores if they are available. The ageing of the consolidated entity's trade receivables that were not impaired was as follows:

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

	30 June 2021	30 June 2020
	\$	\$
Neither past due not impaired	73,379	22,517
Past due 31 - 90 days	5,895	2,735
Past due 90+ days	<u>19,171</u>	<u>35,738</u>
	<u>98,445</u>	<u>60,990</u>

Note 9. Trade and other payables

	30 June 2021	30 June 2020
	\$	\$
<i>Current liabilities</i>		
Trade payables	53,489	58,485
Other payables and accruals	<u>157,552</u>	<u>112,141</u>
	<u>211,041</u>	<u>170,626</u>

Refer to note 14 for further information on financial instruments.

Note 10. Employee benefits

	30 June 2021	30 June 2020
	\$	\$
<i>Current liabilities</i>		
Annual leave	<u>77,769</u>	<u>45,967</u>
<i>Non-current liabilities</i>		
Long service leave	<u>25,941</u>	<u>-</u>
	<u>103,710</u>	<u>45,967</u>

Note 11. Equity - issued capital

	30 June 2021 Shares	30 June 2020 Shares	30 June 2021 \$	30 June 2020 \$
Ordinary shares - fully paid	54,385,385	36,892,002	19,271,401	16,837,024

Movements in ordinary share capital

Details	Date	Shares	\$
Balance	1 July 2019	1,569,454,374	14,826,597
Issue of shares - rights issue	19 July 2019	509,611,125	509,612
Issue of shares - placement	24 July 2019	444,731,041	444,731
Issue of shares - placement	24 July 2019	325,268,959	325,269
Antanas Guoga - loan	1 October 2019	100,000,000	100,000
Issue of shares - placement	15 October 2019	10,000,000	10,000
Security consolidation	2 December 2019	(2,929,473,497)	-
Issue of shares - placement	24 June 2020	7,300,000	730,000
Share issue costs		-	(109,185)
Balance	30 June 2020	36,892,002	16,837,024
Issue of shares - placement	6 April 2021	9,200,000	1,380,000
Off-market share buy-back	8 April 2021	(373,355)	(66,090)
Issue of shares - placement	26 April 2021	8,666,738	1,300,011
Share issue costs		-	(179,544)
Balance	30 June 2021	54,385,385	19,271,401

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

On Monday, 22 February 2021, Opyl announced details of an off-market share buy-back facility for all the shares held by shareholders who held unmarketable parcels of shares in Opyl. An unmarketable parcel was considered to be any shareholding in Opyl valued at less than \$500.

Eligible shareholders had until 5:00pm (AEST) Tuesday, 6 April 2021 to opt-out of the facility or increase their shareholding to more than an unmarketable parcel. Eligible shareholders that did not exercise either of these options by the closing time had their shares bought back by Opyl at \$0.177 per share, being the volume-weighted average price for the five-day trading period preceding the closing date.

A total of 373,355 shares were acquired under the share buy-back. The total cost of the share buy-back was \$66,090.

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

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, issue new shares or sell assets to reduce debt.

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

Note 11. Equity - issued capital (continued)

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.

The consolidated entity would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current company's share price at the time of the investment. The consolidated entity is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

Note 12. Equity - reserves

	30 June 2021	30 June 2020
	\$	\$
Foreign currency reserve	(381,075)	(381,075)
Options reserve	708,635	1,266,137
	<u>327,560</u>	<u>885,062</u>

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. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Option reserve

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

Movements in reserves

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

	Foreign exchange reserve \$	Option reserve \$	Total \$
Balance at 1 July 2019	(372,018)	1,448,949	1,076,931
Foreign currency translation	(9,057)	-	(9,057)
Options issued during the year	-	46,458	46,458
Lapse of expired options	-	(229,270)	(229,270)
	<u>(381,075)</u>	<u>1,266,137</u>	<u>885,062</u>
Balance at 30 June 2020	(381,075)	1,266,137	885,062
Foreign currency translation	-	-	-
Options issued during the year	-	177,498	177,498
Lapse of expired options	-	(735,000)	(735,000)
	<u>(381,075)</u>	<u>708,635</u>	<u>327,560</u>

Note 13. Dividends

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

Note 14. Financial instruments

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The company obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for expected credit losses of those assets, as disclosed in the statement of financial position and notes to the financial statements. The company does not hold any collateral.

The consolidated entity deemed its credit risk to be minimal as its financial assets are mainly cash held at financial institutions.

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.

Liquidity risk

The company 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

All financial liabilities were payable within 60 days.

Fair value of financial instruments

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

Note 15. Key management personnel disclosures

Directors

The following persons were directors of Opyl Limited during the financial year:

Julian Chick
Damon Rasheed
Marat Basyrov
Mark Ziirsen
Megan Robertson

Other key management personnel

The following person also had the authority and responsibility for planning, directing and controlling the major activities of the company, directly or indirectly, during the financial year:

Michelle Gallaher

Compensation

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

	30 June 2021	30 June 2020
	\$	\$
Short-term employee benefits	400,965	350,000
Post-employment benefits	36,818	33,250
Long-term benefits	13,230	-
Share-based payments	164,800	138,450
	<u>615,813</u>	<u>521,700</u>

Note 16. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by William Buck, the auditor of the company.

	30 June 2021	30 June 2020
	\$	\$
Audit services		
Audit or review of the financial statements - William Buck	<u>29,150</u>	<u>25,000</u>

Note 17. Contingent liabilities

The company had no contingent liabilities as at 30 June 2021 (30 June 2020: NIL)

Note 18. Related party transactions

Parent entity

Opyl Limited is the parent entity.

Key management personnel

Disclosures relating to key management personnel are set out in note 15 and the remuneration report included in the directors' report.

Transactions with related parties

During the financial year ended 30 June 2021, RDI Consulting Pty Ltd and Edway Media Pty Ltd have been engaged to develop software for a machine learning/artificial intelligence algorithm which can predict the likelihood of clinical trial passing its primary objective. A total of \$268,574 has been incurred.

	30 June 2021	30 June 2020
	\$	\$
RDI Consulting	132,035	58,054
Edway Media Pty Ltd	136,539	-

As Damon Rasheed is a shareholder of RDI Consulting, RDI Consulting is considered a related party. Marat Basyrov is a shareholder of Edway Media Pty Ltd, Edway Media Pty Ltd is also considered a related party.

Receivable from and payable to related parties

There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties

There were no loans to or from related parties at the current reporting date. As at 30 June 2020, the previous reporting date, Michelle Gallaher had drawings from the company corporate credit card which have been fully repaid to the company. The balance outstanding as at 30 June 2020 was \$24,605.

Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

Note 19. Parent entity information

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

Statement of profit or loss and other comprehensive income

	30 June 2021	30 June 2020
	\$	\$
Loss after income tax	(1,193,264)	(751,832)
Total comprehensive income	<u>(1,193,264)</u>	<u>(751,832)</u>

Statement of financial position

	30 June 2021	30 June 2020
	\$	\$
Total current assets	2,196,289	781,305
Total non-current assets	29,054	-
Total assets	<u>2,225,343</u>	<u>781,305</u>
Total current liabilities	178,972	133,100
Total non-current liabilities	13,230	-
Total liabilities	<u>192,202</u>	<u>133,100</u>
Equity		
Issued capital	19,235,830	18,586,126
Options reserve	708,635	1,266,137
Accumulated losses	<u>(19,669,562)</u>	<u>(19,011,494)</u>
Total equity/(deficiency)	<u>274,903</u>	<u>840,769</u>

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 30 June 2021 and 30 June 2020.

Contingent liabilities

The parent entity had no contingent liabilities as at 30 June 2021 and 30 June 2020.

Capital commitments - Property, plant and equipment

The parent entity had no capital commitments for property, plant and equipment as at 30 June 2021 and 30 June 2020.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in note 1, except for the following.

- Investments in subsidiaries are accounted for at cost, less impairment, in the parent entity.
- Investments in associates 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 and its receipt may be an indicator of an impairment of the investment.

Note 20. Interest in subsidiaries

(a) Ultimate parent

Opyl Limited is the ultimate parent entity and the parent entity of the consolidation entity from a legal perspective. For accounting purposes, Opyl Limited is the deemed ultimate parent of the consolidated entity in line with reverse acquisition accounting.

(b) Corporate structure

The legal corporate structure of the consolidated entity is set out below;

Note 20. Interest in subsidiaries (continued)

Name	Principal place of business / Country of incorporation	Ownership of interest	
		2021 %	2020 %
Legal parent Opyl Limited	Australia	-	-
ShareRoot Inc	United States of America	100.00%	100.00%
ShareRoot (Australian Ops) Pty Ltd	Australia	100.00%	100.00%
Opyl Services (Formerly The Social Science Pty Ltd)	Australia	100.00%	100.00%
Ludomade, Inc	United States of America	100.00%	100.00%

Note 21. Events after the reporting period

The impact of the Coronavirus (COVID-19) pandemic is ongoing and while it has been financially negative for the consolidated entity up to 30 June 2021, it is not practicable to estimate the potential impact, positive or negative, after the reporting date. The situation is rapidly developing and is dependent on measures imposed by the Australian Government and other countries, such as maintaining social distancing requirements, quarantine, travel restrictions and any economic stimulus that may be provided.

As announced on 6 August 2021, the company issued 90,000 option securities under the employee incentive scheme to eligible employees.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 22. Reconciliation of loss after income tax to net cash used in operating activities

	30 June 2021 \$	30 June 2020 \$
Loss after income tax expense for the year	(1,143,432)	(925,847)
Adjustments for:		
Depreciation and amortisation	4,281	848
Share-based payments	177,498	46,458
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	(37,455)	117,009
Decrease/(increase) in prepayments	(2,699)	44,917
Increase/(decrease) in deferred revenue	-	(48,562)
Increase/(decrease) in trade and other payables	98,158	(263,815)
Net cash used in operating activities	<u>(903,649)</u>	<u>(1,028,992)</u>

Note 23. Earnings per share

	30 June 2021	30 June 2020
	\$	\$
Loss after income tax attributable to the owners of Opyl Limited	<u>(1,143,432)</u>	<u>(925,847)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>40,391,886</u>	<u>13,645,211</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>40,391,886</u>	<u>13,645,211</u>
	Cents	Cents
Basic earnings per share	(2.831)	(6.785)
Diluted earnings per share	(2.831)	(6.785)

The amount of the dilution is the average market price of ordinary shares during the period minus the issue price. Therefore, to calculate diluted earnings per share, potential ordinary shares are treated as consisting of both the following:

- a contract to issue a certain number of the ordinary shares at their average market price during the period. Such ordinary shares are assumed to be fairly priced and to be neither dilutive nor antidilutive. They are ignored in the calculation of diluted earnings per share.
- a contract to issue the remaining ordinary shares for no consideration. Such ordinary shares generate no proceeds and have no effect on profit or loss attributable to ordinary shares outstanding. Therefore, such shares are dilutive and are added to the number of ordinary shares outstanding in the calculation of diluted earnings per share.

As the consolidated entity is in a loss position at the end of the financial year, the options on issue are not considered to be dilutive.

Note 24. Share based payments

A share option 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 Board of Directors, grant options over ordinary shares in the company to certain personnel of the consolidated entity. Share options are issued at nil consideration.

In addition, options may also be issued to advisers of the company for example to assist with capital raising activities.

On 10 December 2020, 3 lots of 400,000 options were granted to key management personnel at exercise prices of \$0.30, \$0.50 and \$0.75.

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

Grant Date	Expiry Date	Exercise Price	Balance at the start of the year	Granted	Exercised	Expiry/ Forfeited/ Other	Balance at the end of the year
07/01/2016	31/12/2020	\$5.000	210,000	-	-	(210,000)	-
15/12/2016	05/12/2026	\$1.200	42,480	-	-	-	42,480
06/02/2017	06/02/2027	\$0.800	6,000	-	-	-	6,000
20/03/2017	20/03/2027	\$2.500	14,916	-	-	-	14,916
01/04/2017	01/04/2027	\$0.600	60,000	-	-	-	60,000
27/06/2017	27/06/2022	\$0.500	30,000	-	-	-	30,000
10/11/2017	10/11/2022	\$0.500	36,666	-	-	-	36,666
21/02/2018	05/06/2022	\$0.700	80,000	-	-	-	80,000
21/02/2018	13/04/2022	\$0.500	118,421	-	-	-	118,421
21/02/2018	20/02/2023	\$0.600	30,000	-	-	-	30,000
06/03/2018	04/05/2023	\$0.500	90,000	-	-	-	90,000
17/04/2018	17/04/2023	\$0.500	40,000	-	-	-	40,000
04/05/2018	04/05/2023	\$0.500	25,000	-	-	-	25,000
24/07/2018	24/07/2023	\$0.100	250,000	-	-	-	250,000
15/10/2018	18/09/2023	\$0.400	3,000	-	-	-	3,000
15/10/2018	09/06/2023	\$0.400	3,000	-	-	-	3,000
15/10/2018	06/03/2023	\$0.400	7,500	-	-	-	7,500
15/10/2018	06/03/2023	\$0.400	20,000	-	-	-	20,000
08/02/2019	08/02/2024	\$0.500	109,998	-	-	-	109,998
21/03/2019	21/03/2024	\$0.500	109,998	-	-	-	109,998
13/05/2019	13/05/2024	\$0.500	109,998	-	-	-	109,998
27/11/2019	27/11/2024	\$0.300	20,000	-	-	-	20,000
27/11/2019	27/11/2024	\$0.300	20,000	-	-	-	20,000
27/11/2019	27/11/2024	\$0.300	20,000	-	-	-	20,000
10/12/2019	29/01/2024	\$0.800	2,335,000	-	-	-	2,335,000
07/11/2020	07/11/2025	\$0.300	-	400,000	-	-	400,000
07/11/2020	07/11/2025	\$0.500	-	400,000	-	-	400,000
07/11/2020	07/11/2025	\$0.750	-	400,000	-	-	400,000
			<u>3,791,977</u>	<u>1,200,000</u>	<u>-</u>	<u>(210,000)</u>	<u>4,781,977</u>
Weighted average exercise price			\$0.926	\$0.517	\$0.000	\$5.000	\$0.645

Set out below are the options exercisable at the end of the financial year:

Note 24. Share based payments (continued)

Grant date	Expiry date	2021 Number	2020 Number
07/01/2016	31/12/2020	-	210,000
15/12/2016	05/12/2026	42,480	42,480
06/02/2017	06/02/2027	6,000	6,000
20/03/2017	20/03/2027	14,916	14,916
01/04/2017	01/04/2027	60,000	60,000
27/06/2017	27/06/2022	30,000	30,000
10/11/2017	10/11/2022	36,666	36,666
21/02/2018	05/06/2022	80,000	80,000
21/02/2018	13/04/2022	118,421	118,421
21/02/2018	20/02/2023	30,000	30,000
06/03/2018	04/05/2023	90,000	90,000
17/04/2018	17/04/2023	40,000	40,000
04/05/2018	04/05/2023	25,000	25,000
24/07/2018	24/07/2023	250,000	250,000
15/10/2018	18/09/2023	3,000	3,000
15/10/2018	09/06/2023	3,000	3,000
15/10/2018	06/03/2023	27,500	27,500
08/02/2019	08/02/2024	109,998	109,998
21/03/2019	21/03/2024	109,998	109,998
13/05/2019	13/05/2024	109,998	109,998
27/11/2019	27/11/2024	60,000	60,000
10/12/2019	29/01/2024	2,335,000	2,335,000
07/11/2020	07/11/2025	1,200,000	-
		<u>4,781,977</u>	<u>3,791,977</u>

The weighted average remaining contractual life of options outstanding at the end of the financial year was 2.97 years (30 June 2020: 3.34 years).

For the options granted during the current financial year, the valuation model inputs used to determine the fair value at the grant date are as follows:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-free interest rate	Fair value at grant date
07/11/2020	07/11/2025	\$0.17	\$0.30	140.00%	-	0.20%	\$0.144
07/11/2020	07/11/2025	\$0.17	\$0.50	140.00%	-	0.20%	\$0.137
07/11/2020	07/11/2025	\$0.17	\$0.75	140.00%	-	0.20%	\$0.131

Opyl Limited
Directors' declaration
30 June 2021

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Accounting Standards AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- The financial statements also comply with International Financial Reporting Standards as disclosed in note 1.
- the attached financial statements and notes give a true and fair view of the company's financial position as at 30 June 2021 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



Mark Ziirsen
Director

26 August 2021

Opyl Limited

Independent auditor's report to members

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Opyl Limited (the Company) and its controlled entities (together, the Group), which comprises the consolidated statement of financial position as at 30 June 2021, 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 30 June 2021 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.

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.

ACCOUNTANTS & ADVISORS

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REVENUE RECOGNITION

Area of focus	How our audit addressed it
<p>As required by AASB 15 <i>Revenue from Contracts with Customers</i>, revenue is disclosed in Note 4.</p> <p>This area is a key audit matter as each revenue stream requires a bespoke revenue recognition model to ensure that revenue is only recognised:</p> <p>a) when a performance milestone is achieved;</p> <p>b) can be reliably measured; and</p> <p>c) there is a low likelihood for dispute by the customer for revenues that are recognised which are beyond that originally scoped at the inception of the engagement.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding and documenting the design of key controls and testing their operational effectiveness on revenue recognition; • The evaluation of revenue recognition policies for all material sources of revenue to ensure that revenue is recognised in-accordance with AASB 15; • Examining management’s assessment of achievement of performance milestones relevant to material revenue contracts; • Performing detailed cut-off testing to ensure that revenue transactions throughout the year end had been recorded in the correct financial period. <p>In-addition, we also examined key disclosures relating to the recognition of revenue in the financial statements.</p>

MANAGEMENT OF AVAILABLE WORKING CAPITAL

Area of focus	How our audit addressed it
<p>The Group is in its initial stages of scaling revenues from its proprietary technology. As a consequence of this, it needed to fund its operations throughout the year through the issue of new equity to investors.</p> <p>In considering the cash flow needs going forward, the directors expect, based upon comprehensive cashflow forecasting, that the Group should have at a minimum sufficient available reserves of working capital in order to meet the Group’s operating and investing cash flow needs.</p>	<p>Our audit procedures centered around examining the Group’s cash flow forecast, extending 12 months from the date of this report, which included the following:</p> <ul style="list-style-type: none"> • Tracing to contract or agreement existing and continuing revenue streams; • Examining the likelihood of conversion of pipeline customer projects and revenue streams; • Examining entitlements to other revenue sources, namely government grants; • Examining the ability of the Group to flex its expenditures to changes in revenue levels; and

	<ul style="list-style-type: none">• Examining the ability to flex the capital expenditure budget planned for its software development program.
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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 30 June 2021 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:

http://www.auasb.gov.au/auditors_responsibilities/ar1.pdf

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

Report on the Remuneration Report

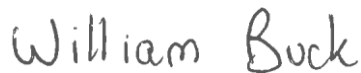
Opinion on the Remuneration Report

We have audited the Remuneration Report included in the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Opyl Limited, for the year ended 30 June 2021, 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.



William Buck Audit (Vic) Pty Ltd

ABN: 59 116 151 136



N. S. Benbow

Director

Melbourne, dated this 26th day of August, 2021

The shareholder information set out below was applicable as at 15 July 2021

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Ordinary shares		Options over ordinary shares	
	Number of holders	% of total shares issued	Number of holders	% of total options issued
1 to 1,000	86	0.04	-	-
1,001 to 5,000	212	1.33	9	0.61
5,001 to 10,000	161	2.45	12	1.80
10,001 to 100,000	308	20.41	34	32.29
100,001 and over	110	75.77	13	65.30
	<u>877</u>	<u>100.00</u>	<u>68</u>	<u>100.00</u>
Holding less than a marketable parcel	-	-	-	-

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	% of total shares issued
	Number held	
UBS NOMINEES PTY LTD	2,749,696	5.06
SCINTILLA STRATEGIC INVESTMENTS LIMITED	1,735,946	3.19
ALTOR CAPITAL MANAGEMENT PTY LTD (ALTOR ALPHA FUND A/C)	1,550,000	2.85
CELERITY INVESTMENTS PTY LIMITED	1,362,462	2.51
KYRIACO BARBER PTY LTD	1,325,000	2.44
HONGKONG FRANK PTY LTD (DAVIS SUPER FUND A/C)	1,250,000	2.30
PICKARD CAPITAL PTY LTD	1,000,000	1.84
PICKARD CAPITAL PTY LTD	975,000	1.79
SUPERTANK PTY LTD (SUPERTANK SUPERFUND A/C)	860,000	1.58
MR DUNCAN GERARD GOWANS & MRS JODIE LOUISE GOWANS (GOWANS SUPERFUND A/C)	860,000	1.58
REWOP PTY LTD (SCOTT POWER SUPER FUND A/C)	840,669	1.55
MR FIRDAUS BASYROV	802,000	1.47
KAMAREL PTY LTD (K F & M L SMITH S/F A/C)	689,810	1.27
DR DEREK ANTHONY JELLINEK	683,153	1.26
MRS ANNA CARINA HART & MR PAUL HART (HART FAMILY SUPER FUND A/C)	638,298	1.17
JALOO PTY LIMITED (G W SUPER FUND NO 1 A/C)	600,000	1.10
MR ELIE CHAKKOUR	600,000	1.10
STONE COLD CAPITAL PTY LTD	528,110	0.97
MR ROBERT GARETH PRICE & MR STEVEN DAVID PRICE (SIMEST SUPER FUND A/C)	506,150	0.93
DR THOMAS PETER CLARKE & MRS GILDA FRANCES CLARKE (TP&GF CLARKE SUPER FUND A/C)	500,000	0.92
	<u>20,056,294</u>	<u>36.88</u>

Twenty largest unquoted equity security holders

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

	Options over ordinary shares	
	Number held	% of total options issued
MR ANTANAS GUOGA	440,000	8.81
MR MARAT BASYROV	429,998	8.61
DAMON RASHEED	429,998	8.61
MR MARK ZIIRSEN	300,000	6.01
DR JULIAN CHICK & DR VIOLETA TARICEVSK (TRAICEVSKI-CHICK S/F A/C)	300,000	6.01
ANTANAS GUOGA	250,000	5.01
DDPEVCIC (WA) PTY LTD (DOMINIC FAMILY A/C)	233,333	4.67
SCINTILLA STRATEGIC INVESTMENTS LIMITED	166,667	3.34
GE EQUITY INVESTMENTS PTY LTD	166,667	3.34
JULIAN CHICK	159,998	3.21
FOSTER STOCKBROKING PTY LTD	140,000	2.80
SANLAM PRIVATE WEALTH PTY LTD (WESTBOURNE LONG SHORT A/C)	125,000	2.50
BLARNEY VENTURES	118,421	2.37
MR MARK ANDREW TKOCZ	100,000	2.00
MR BIN LIU	100,000	2.00
HIRSCH FINANCIAL PTY LTD	100,000	2.00
WALSH PRESTIGE PTY LTD (WALSH FAMILY A/C)	100,000	2.00
AUSTRALIAN TRAVEL DIRECTORY (AUST) PTY LTD	100,000	2.00
MICHELLE GALLAHER	90,000	1.80
HELMET NOMINEES PTY LTD (TIM WEIR FAMILY FUND A/C)	83,333	1.67
	<u>3,933,415</u>	<u>78.76</u>

Unquoted equity securities

There are no unquoted equity securities.

Unlisted Option expiry and exercise price	Number on issue	Number of holders
UNL OPTIONS EXP 05/06/2022 @ \$0.70	80,000	1
UNL OPTIONS EXP 13/04/2022 @ \$0.50	118,421	1
UNL OPTIONS EXP 17/04/23 @ \$0.50	3,000	1
UNL OPTIONS EXP 19/02/23 @ \$0.50	30,000	1
UNL OPTIONS EXP 05/04/23 @ \$0.50	4,000	2
UNL OPTIONS EXP 18/04/23 @ \$0.50	3,000	1
UNL OPTIONS EXP 04/05/23 @ \$0.50	115,000	2
UNL OPTIONS EXP 06/02/27 @ \$0.80	6,000	1
UNL OPTIONS EXP 20/03/27 @ \$2.50	14,916	3
UNL OPTIONS EXP 01/04/27 @ \$0.60	52,500	4
UNL OPTIONS EXP 26/01/28 @ \$0.60	7,500	1
UNL ESS OPT EXP 24/07/2023 @ \$1.00	250,000	1
UNL OPT EXP 6/03/2023 @ \$0.40	27,500	2
UNL OPT EXP 18/09/2023 @ \$0.40	3,000	1
UNL OPT EXP 9/06/2023 @ \$0.40	3,000	1
UNL OP EX 8/2/2024 @ \$0.50 VEST 11/2/20	36,666	1
UNL OP EX 8/2/2024 @ \$0.50 VEST 11/2/21	36,666	1
UNL OP EX 8/2/2024 @ \$0.50 VEST 11/2/22	36,666	1
UNL OP EX 21/3/24 @ \$0.50 VEST 21/3/20	36,666	1
UNL OP EX 21/3/24 @ \$0.50 VEST 21/3/21	36,666	1
UNL OP EX 21/3/24 @ \$0.50 VEST 21/3/22	36,666	1
UNL OP EXP 13/5/24 @ \$0.50 VEST 13/5/20	36,666	1
UNL OP EXP 13/5/24 @ \$0.50 VEST 13/5/21	36,666	1
UNL OP EXP 13/5/24 @ \$0.50 VEST 13/5/22	36,666	1
UNL OP EXP 10/12/24 @ \$0.30	60,000	3
UNL OPTIONS EXP 10YRS GRANT DAY @ \$1.20	42,480	4
UNL OP EXP 10/12/24 @ \$0.80	2,335,000	28
UNL OP EXP 10/12/25 @ \$0.30	400,000	4
UNL OP EXP 10/12/25 @ \$0.50	400,000	4
UNL OP EXP 10/12/25 @ \$0.75	400,000	4
UNL OPTIONS EXP 27/06/2022 @ \$0.50	30,000	1
UNL OPTIONS EXP 10/11/2022 @ \$0.50	36,666	1
UNL OPTIONS EXP 20/02/2023 @ \$0.60	30,000	1
	4,781,977	82

Substantial holders

Substantial holders in the company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
UBS NOMINEES PTY LTD	2,749,696	5.06
PICKARD CAPITAL PTY LTD	1,975,000	3.63
SCINTILLA STRATEGIC INVESTMENTS LIMITED	1,735,946	3.19
ALTOR CAPITAL MANAGEMENT PTY LTD (ALTOR ALPHA FUND A/C)	1,550,000	2.85
CELERITY INVESTMENTS PTY LIMITED	1,362,462	2.51
KYRIACO BARBER PTY LTD	1,325,000	2.44

	Options over ordinary shares	
	Number held	% of total options issued
MR ANTANAS GUOGA	440,000	8.81
MR MARAT BASYROV	429,998	8.61
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ANTANAS GUOGA	250,000	5.01
DDPEVCIC (WA) PTY LTD (DOMINIC FAMILY A/C)	233,333	4.67
SCINTILLA STRATEGIC INVESTMENTS LIMITED	166,667	3.34
GE EQUITY INVESTMENTS PTY LTD	166,667	3.34

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

All quoted and unquoted options do not carry any voting rights