



Jayex Technology Limited

ABN 15 119 122 477

**APPENDIX 4E PRELIMINARY FINAL REPORT
31 December 2022**

PROVIDED TO THE ASX UNDER LISTING RULE 4.3A

Jayex Technology Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity: Jayex Technology Limited
ABN: 15 119 122 477
Reporting period: For the year ended 31 December 2022
Previous period: For the year ended 31 December 2021

2. Results for announcement to the market

			\$
Revenues from ordinary activities (continuing and discontinued operations)	up	4.3% to	4,303,996
Loss from ordinary activities after tax attributable to the owners of Jayex Technology Limited	up	84.6% to	(7,245,838)
Loss for the year attributable to the owners of Jayex Technology Limited	up	84.6% to	(7,245,838)

Dividends

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

Comments

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

The loss for the year includes impairment expense of \$4,885,549 from the impairment of intangible assets and plant & equipment related to continuing and discontinued operations.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>(2.54)</u>	<u>(1.60)</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. 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.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

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

This report, and the accompanying summary consolidated financial statements, are based upon accounts which are in the process of being audited.

11. Attachments

Details of attachments (if any):

Unaudited summary consolidated financial statements for Jayex Healthcare Limited and its controlled entities for the period ended 31 December 2022 are attached.

12. Signed

Signed



Date: 28 February 2023

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

	Note	Consolidated 2022 \$	Restated 2021 \$
Revenue from continuing operations		4,303,996	3,586,303
Other income		133,887	251,189
Expenses			
Raw materials and consumables used		(916,882)	(570,807)
Employee benefits expense		(3,107,925)	(3,047,888)
Depreciation and amortisation expense		(373,742)	(589,892)
Marketing expenses		(73,551)	(107,078)
Administrative, corporate and other expenses		(1,453,131)	(1,453,834)
Finance costs		(919,068)	(839,650)
Net foreign exchange (loss)/gains		(35,311)	(856)
Impairment of intangible assets	2	(3,748,022)	(2,513,800)
Fair value change in the derivative instrument		69,049	1,037,832
Loss before income tax benefit from continuing operations		(6,120,700)	(4,248,481)
Income tax benefit		86,179	433,497
Loss after income tax benefit from continuing operations		(6,034,521)	(3,814,984)
Loss after income tax expense from discontinued operations	1	(1,211,317)	(109,358)
Loss after income tax (expense)/benefit for the year attributable to the owners of Jayex Technology Limited		(7,245,838)	(3,924,342)
Other comprehensive income/(loss)			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain on the revaluation of equity instruments at fair value through other comprehensive income, net of tax		(106,961)	57,091
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		(154,927)	404,108
Other comprehensive income/(loss) for the year, net of tax		(261,888)	461,199
Total comprehensive loss for the year attributable to the owners of Jayex Technology Limited		<u>(7,507,726)</u>	<u>(3,463,143)</u>
Total comprehensive loss for the year is attributable to:			
Continuing operations		(6,296,409)	(3,560,195)
Discontinued operations		(1,211,317)	97,052
		<u>(7,507,726)</u>	<u>(3,463,143)</u>

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

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

	Cents	Cents
Earnings per share for loss from continuing operations attributable to the owners of Jayex Technology Limited		
Basic earnings per share	(2.4)	(1.7)
Diluted earnings per share	(2.4)	(1.7)
Earnings per share for loss from discontinued operations attributable to the owners of Jayex Technology Limited		
Basic earnings per share	(0.5)	-
Diluted earnings per share	(0.5)	-
Earnings per share for loss attributable to the owners of Jayex Technology Limited		
Basic earnings per share	(2.9)	(1.8)
Diluted earnings per share	(2.9)	(1.8)

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

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

	Note	Consolidated 2022 \$	Restated 2021 \$
Assets			
Current assets			
Cash and cash equivalents		239,379	982,716
Trade and other receivables		397,659	838,348
Inventories		139,324	246,614
Other		19,063	47,578
Total current assets		<u>795,425</u>	<u>2,115,256</u>
Non-current assets			
Deposits		39,363	54,113
Financial assets at fair value through other comprehensive income		-	536,001
Financial assets at fair value through profit or loss		1,414,828	1,368,846
Plant and equipment		-	193,289
Right-of-use assets		50,463	247,265
Intangibles	2	-	5,176,729
Total non-current assets		<u>1,504,654</u>	<u>7,576,243</u>
Total assets		<u>2,300,079</u>	<u>9,691,499</u>
Liabilities			
Current liabilities			
Trade and other payables		1,824,437	1,033,059
Borrowings		3,393,308	2,607,101
Lease liabilities		51,764	149,823
Provision for income tax on capital gains		39,940	199,447
Employee benefits		27,281	49,743
Provisions		236,344	215,046
Contract liabilities		1,099,514	1,615,450
Total current liabilities		<u>6,672,588</u>	<u>5,869,669</u>
Non-current liabilities			
Borrowings		1,952,406	2,454,826
Lease liabilities		3,461	112,979
Deferred tax		-	59,744
Employee benefits		1,727	16,658
Total non-current liabilities		<u>1,957,594</u>	<u>2,644,207</u>
Total liabilities		<u>8,630,182</u>	<u>8,513,876</u>
Net assets/(liabilities)		<u>(6,330,103)</u>	<u>1,177,623</u>
Equity			
Issued capital		28,112,494	28,112,494
Reserves		(1,866,837)	(1,654,819)
Accumulated losses		(32,575,760)	(25,280,052)
Total equity/(deficiency)		<u>(6,330,103)</u>	<u>1,177,623</u>

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

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

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

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

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

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

	Note	Consolidated 2022 \$	2021 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		4,237,280	3,878,647
Payments to suppliers and employees (inclusive of GST)		(4,815,541)	(5,309,349)
Other revenue		133,887	251,328
Interest and other finance costs paid		(172,605)	(223,749)
Income taxes paid		(199,447)	-
Net operating cash used in continuing operations		<u>(816,426)</u>	<u>(1,403,123)</u>
Net operating cash (used in)/ generated by discontinued operations	1	<u>(39,944)</u>	<u>146,434</u>
Net cash used in operating activities		<u>(856,370)</u>	<u>(1,256,689)</u>
Cash flows from investing activities			
Proceeds from disposal of Acute business	1	-	1,583,707
Payments for disposal of Acute business	1	-	(850,303)
Payment for investments		-	(1,368,846)
Proceeds from disposal of investments		429,040	-
Net cash from/(used in) continuing operations' investing activities		<u>420,040</u>	<u>(635,442)</u>
Net cash used in the investing activities of discontinued operations		<u>-</u>	<u>(134,724)</u>
Net cash from/(used in) investing activities		<u>429,040</u>	<u>(770,166)</u>
Cash flows from financing activities			
Proceeds from issue of shares		-	1,292,092
Share issue transaction costs		-	(40,687)
Proceeds from borrowings		266,642	1,116,071
Repayment of borrowings		(391,111)	(111,607)
Repayment of convertible notes		-	(300,000)
Repayment of lease liabilities		(136,676)	(116,707)
Net cash used in continuing operations' financing activities		<u>(261,175)</u>	<u>(1,839,162)</u>
Net cash used in the financing activities of discontinued operations		<u>(20,569)</u>	<u>(18,520)</u>
Net cash (used in)/from financing activities		<u>(281,714)</u>	<u>1,820,642</u>
Net decrease in cash and cash equivalents		(709,044)	(206,213)
Cash and cash equivalents at the beginning of the financial year		982,716	1,182,183
Effects of exchange rate changes on cash and cash equivalents		<u>(34,293)</u>	<u>6,746</u>
Cash and cash equivalents at the end of the financial year		<u><u>239,379</u></u>	<u><u>982,716</u></u>

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

Jayex Technology Limited
Notes to the consolidated financial statements
31 December 2022

Note 1. Discontinued operations

Description

During previous year, the Group sold its on-premises Acute hospital queue management business to Canadian based medical technology company Vitalhub Inc.

Financial performance information

	Consolidated	
	2022	2021
	\$	\$
Revenue	-	538,863
Raw materials and consumables used	-	(10,658)
Employee benefits expense	-	(217,783)
Professional services expenses	-	(90,738)
Other expense	-	(9,127)
Total expenses	-	<u>(210,557)</u>
Profit/(loss) before income tax expense	-	201,557
Income tax expense	-	-
Profit/(loss) after income tax expense	-	<u>210,557</u>
Gain on disposal before income tax	36,083	82,838
Income tax expense	-	<u>(196,343)</u>
Gain/(loss) on disposal after income tax expense	<u>36,083</u>	<u>(113,505)</u>
Loss after income tax expense from discontinued operations	<u><u>36,083</u></u>	<u><u>97,052</u></u>

Details of the disposal

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

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

Jayex Technology Limited
Notes to the consolidated financial statements
31 December 2022

Note 1. Discontinued operations (continued)

Closure of Whakaora Hou Limited operations

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

Financial performance information

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

Jayex Technology Limited
Notes to the consolidated financial statements
31 December 2022

Note 2. Intangibles

	Consolidated	
	2022	2021
	\$	\$
Goodwill - at cost	9,942,846	10,103,930
Less: Impairment	<u>(9,942,846)</u>	<u>(6,464,986)</u>
	<u>-</u>	<u>3,638,944</u>
Product development - at cost	1,109,426	1,069,172
Less: Accumulated amortisation	<u>(1,109,426)</u>	<u>(80,188)</u>
	<u>-</u>	<u>988,984</u>
Software platform - at cost	1,460,674	1,813,484
Less: Accumulated amortisation - Software	<u>(1,460,674)</u>	<u>(1,739,316)</u>
	<u>-</u>	<u>74,168</u>
Customer relationships - at cost	2,444,810	2,551,232
Less: Accumulated amortisation - Customer relationships	<u>(2,444,810)</u>	<u>(2,076,599)</u>
	<u>-</u>	<u>474,633</u>
	<u>-</u>	<u>5,176,729</u>

Reconciliations

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

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

* During the year Consolidated entity impaired \$4,772,410 of its intangible assets, \$3,748,022 of which relates to the continuing operations and \$974,388 relates to the discontinued operations.