OLIVEX HOLDINGS LIMITED

ACN 631 675 986

ANNUAL FINANCIAL REPORT

30 June 2022

Contents

Corporate Directory

Current Directors

Mr. Keith Rumjahn	*Managing Director and Chief Executive Officer*
Mr. Sonny Vu	*Non-Executive Chairman*
Mr. Yat Siu	*Non-Executive Director*
Mr. David Do	*Non-Executive Director (appointed 24 August 2021)*
Ms. Maja McGuire	*Non-Executive Director (appointed 24 August 2021)*
Ms. Karen Contet	*Non-Executive Director (resigned 10 June 2022)*
Mr. Xavier Kris	*Executive Director (resigned 24 August 2021)*
Mr. John Bell	*Non-Executive Director (resigned 24 August 2021)*

Company Secretary

Mr. Marshall Lee	*(appointed 24 August 2021)*
Mr. Joel Ives	*(appointed 24 August 2021)*
Mr. John Bell	*(resigned 24 August 2021)*

Registered Office

Street: AMP Building
Level 28, 140 St Georges Terrace
Perth WA 6000
Postal: AMP Building
Level 28, 140 St Georges Terrace
Perth WA 6000
Telephone: +61 (0)8 9278 2478
Email: investors@olivex.ai
Website: olivex.ai

Share Registry

Link Market Services
Street: Level 12, QV1 Building
250 St Georges Terrace
Perth WA 6000
Telephone: 1300 554 474 (investors within Australia)
+61 (0)8 9211 6670

Securities Exchange

National Securities Exchange
Street: 1 Bligh Street
Sydney NSW 2000
NSX Code: OLX

Auditor

Moore Australia Audit (WA)
Street: Level 15, Exchange Tower
2 The Esplanade
Perth WA 6000
Telephone: +61 0(8) 9225 5355

Legal Advisor and NSX Nominated Advisor

Blackwall Legal LLP
Postal: 26/140 St Georges Terrace
Perth WA 6000
Telephone: +61 0(8) 6169 2500

CEO's Letter

Dear Shareholders,

On behalf of the Board of Directors, it is my pleasure to present OliveX Holdings Limited's ("OliveX" or the "Company") Annual Report for the financial year ended 30 June 2022.

2022 has been another milestone year for OliveX. The Company successfully launched Dustland Runner, our first move-to-earn blockchain running game accompanied by a sold out USD$478,000 NFT pre-sale for the game and achieving over 10K daily active users within 2 months of launch. This is an indication of the demand in our move-to-earn games and the revenue potential of our upcoming games in Dustland Rider (indoor cycling) and We Fight Monsters (indoor HIIT workout).

Our vision is to build a fitness metaverse where we build an ecosystem of fitness games that give players true digital property rights. I'm excited to share that we now have games spanning running, cycling, HIIT workouts, location-based AR and meditation in our ecosystem.

On 22 Nov 2021 we acquired cycling game Sol Cycle, a game that integrates with a physical bike where physical output by a player progresses them through the game's narrative. We used the Sol Cycle engine to build the world's first blockchain cycling game in Dustland Rider. In pre-launch phase we have already collected over 2700 pre-registrations on Google play.

On 10 Dec 2021 we announced our investment into a location based move-to-earn game DEFY. On 18 Aug 2022, DEFY successfully launched their DEFY token at a fully diluted market cap of USD$60M. As of writing we hold the right for future 312,375,000 tokens at $0.02 representing a value of $6,247,500 (classified as a prepayment, as tokens not yet granted).

On 9 February 2022 we announced our licensing agreement with Marvel Entertainment to become the first fitness app to partner with Marvel to develop interactive digital fitness experiences inside our massive hit Zombies, Run! This is validation that we are the best in-class audio running game on the market. This marks the beginning of transitioning Zombies, Run! Into a Spotify for audio running where you can find multiple IPs within one game.

On 12 Aug 2022 we announced our investment and partnership in Silentmode, the creators of the successful Breathonics app to become the world's first meditate-to-earn game. Breathonics has 2.5K paying subscribers and generated over $3.4M in gross revenue to date.

We also announced we have partnered with Parasol Corp Pty Ltd, the Melbourne based studio behind the audio HIIT (high intensity interval training) workout game 'Warlocks and Workouts' to create a series of games starting with 'We Fight Monsters'.

Outlook

COVID-19 has accelerated the change of the fitness landscape to a hybrid physical/virtual model and the demand for digital fitness will continue to grow. We believe that the future of fitness is fitness as a game. The future of fitness is a fitness metaverse with interconnected fitness games powered by blockchain technology and NFT's.

The Company is well positioned to create a world class fitness metaverse at the intersection of gaming, blockchain and fitness, helping people get fitter through a play to earn mechanism which rewards exercising and playing.

My fellow Directors Yat Siu, David Do, Sonny Vu and Maja McGuire all add extensive experience and considerable expertise to the Company and their guidance will assist OliveX in achieving its potential.

The OliveX mission is Fit, Fun and Fab, and we continue to apply this mantra as we expand the content and application offerings to users. More than ever, this mantra and our offering is becoming a necessity for end users and the Company's potential customer base.

I am extremely thankful for the commitment of the Board, the executive team and our employees who continue to operate and execute on every opportunity diligently under difficult circumstances.

The Board would like to thank our shareholders, our coaches and our customers for their continued support and for embarking on this journey with OliveX. We look forward to our next exciting phase of growth as we continue to build the OliveX ecosystem together.

Regards

Rumjahn

KEITH RUMJAHN
Managing Director and Chief Executive Officer

Directors' report

Your directors present their report on the Consolidated entity, consisting of OliveX Holdings Limited (**Parent** or **the Company**) and its controlled entities (collectively **the Group** or **OliveX** or **OLX**), for the year ended 30 June 2022.

OliveX is listed on the National Securities Exchange (**NSX**).

1. Directors

The names of Directors in office at any time during or since the end of the year are:

- Mr. Keith Rumjahn — Managing Director and Chief Executive Officer
- Mr. Sonny Vu — Non-Executive Chairman
- Mr. Yat Siu — Non-Executive Director
- Mr. David Do — Non-Executive Director *(appointed 24 August 2021)*
- Mr. Maja McGuire — Non-Executive Director *(appointed 24 August 2021)*
- Ms. Karen Contet — Non-Executive Director (*resigned 10 June 2022*)
- Mr. Xavier Kris — Executive Director *(resigned 24 August 2021)*
- Mr. John Bell — Non-Executive Director *(resigned 24 August 2021)*

The Directors have been in office since the start of the period to the date of this report unless otherwise stated. of this Directors Report.

2. Company Secretary

The following person held the position of Company Secretary at the end of the financial period:

- Mr. Marshall Lee — Mr Lee was jointly appointed as Company Secretary on 24 August 2021.
- Mr. Joel Ives — Mr Ives was jointly appointed as Company Secretary on 24 August 2021.
- Mr. John Bell — Mr Bell was appointed as Company Secretary on 1 May 2020 and resigned on 24 August 2021.

3. Dividends paid or recommended

There were no dividends paid or recommended during the financial year end 30 June 2022 (30 June 2021: Nil).

4. Significant Changes in the state of affairs

Six to Start acquisition

On 2 July 2021, OliveX Holdings Limited acquired 100% of the ordinary share capital in Six to Start Limited. Further details of the acquisition are outlined in Note 2b.

Sol Cycle acquisition

On 3 December 2021, the Company through its wholly-owned subsidiary OliveX (HK) Limited, acquired the gamified fitness platform Sol Cycle from Huo Xing Limited Company (Redline). Further details of the acquisition are outlined in Note 2c.

DOSE launch

On 8 November 2021, the Company, through its wholly owned subsidiary OliveX BVI Limited, announced the highly successful listing of DOSE on major Centralised Exchanges (CEX) OKEX and gate.io. Additionally, the Company announced the completion of further sales of USD$500,000 In DOSE tokens through an Initial Dex Offering (IDO) on Polkastarter as well as the commencement of token swaps and liquidity pools on both Okex, Gate.io, Apeswap, Uniswap and PancakeSwap. During the year, DOSE also listed on the Huobi Global and KuCoin token exchanges.

Placement in December 2021

On 2 December 2021, the board of the Company advised that it had issued 8,000,000 fully paid ordinary share (Shares) to certain key strategic and institutional investors including Animoca Brands, One Football and Bombora Investment Management.

There were no other significant changes to the state of affairs of the Group.

Directors' report

5. Operating and financial review

5.1. Nature of Operations Principal Activities

OliveX is a digital fitness company that provides applications, smart technology and unique fitness gamification leveraging blockchain technology and move-to-earn functionality.

OliveX aims to improve the integration of technology with fitness to create an interactive fitness metaverse. OliveX is uniquely positioned at the centre of three of the most exciting industries, the fitness and wellness industry, the gaming industry and the blockchain and NFT market.

5.2. Operations Review

The Company has continued to execute on its strategy to build a fitness metaverse through building, partnering, acquiring and investing into early stage move-and-earn games to create an ecosystem of interoperable NFT's and games.

The Company launched Dustland Runner, a move-and-earn game based on our successful title Zombies, Run! on March 25th 2022. The app reached a milestone of 10,000 Daily Active users, as well as generating USD$478,000 in sales in partnership with Apecoin. Expanding upon the Dustland universe the company also announced the pre-registration for Dustland Rider, a move-and-earn indoor cycling garnering 2,700 registrations from 173 countries.

The Company made an investment into DEFY disrupt, a location based AR move-and-earn game (classified as prepayment, as tokens not yet granted). DEFY successfully sold over $1M in NFT's and launched their token at a market cap of USD$61M as of 15 August 2022. The company owns 10% of the tokens and its stake is valued at USD$6M.

The Company signed a licensing agreement with Marvel Entertainment to develop Marvel-branded interactive digital fitness content and experiences inside Zombies, Run!. By signing major IPs like Marvel, the company will expand Zombies, Run! into a multi IP audio running platform.

The Company has built and invested in games covering running, cycling, HIIT workout, meditation and location-based AR that will strengthen the company's strategy of a move-and-earn ecosystem.

5.3. Company and business acquisitions

a. Six to Start

On 2 July 2021, the Company completed the acquisition of Six to Start, a leading gamified fitness company. The acquisition was announced to the market in March 2021.

The initial cash and share consideration for the Six to Start shares amounts to US$6.65 million, with deferred performance-based cash and share consideration of up to US$2.85 million payable. The initial consideration was paid via the capital raise announced on 7 May 2021.

Six to Start is best known for its smartphone gaming experience and audio story Zombies, Run! which is the world's leading gamified health and fitness app with over 300,000 average active users per month and approximately 50,000 paid subscription users

Six to Start holds key assets including key technology and distribution channels that are valuable to OliveX as the Company continues its own innovation strategy. Adrian Hon, Six to Start's CEO, has become Chief Innovation Officer at OliveX (while continuing his role at Six to Start) and bringing valuable experience and skills to the Company.

This is a high-profile acquisition, placing OliveX at the forefront of digital health and fitness innovation.

b. Sol Cycle

On 22 November 2021, the Sol Cycle gamified fitness platform was acquired by the Company through its subsidiary, OliveX HK. Sol Cycle is a gamified fitness platform that integrates with a physical bicycle where physical output by the player progresses them through the game's narrative.

This acquisition includes Sol Cycle's associated licences, material contracts, intellectual property and media from Redline and Sol Cycle founder Scott Williams. The Company aims to bring the Sol Cycle game engine to the fitness metaverse and DOSE ecosystem and build the world's first ever blockchain cycling game. Sol Cycle will allow OliveX to build additional fitness-based titles and tap into the USD$54.44 billion global cycling market.

Directors' report

5. Operating and financial review (cont'd)

5.4. Financial Review

a. **Operating results**

For the period ended 30 June 2022 the Group delivered an after tax loss of $12,608,178 (30 June 2021: $7,575,365).

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the ordinary course of business. Refer to note 1(a)(ii).

b. **Financial position**

The net assets of the Company as at 30 June 2022 are $8,888,054 (30 June 2021: $8,503,620).

As at 30 June 2022, the Company's had cash and cash equivalents of $7,940,025 (30 June 2021: $3,212,766) and had a working capital deficit of $5,314,292 (30 June 2021: a working capital surplus of $2,548,255).

c. **DOSE tokens**

As at 30 June 2022, a total of 296,831,879 tokens was in circulation in the market through private and public sales. The company has raised $13,225,304 through coin offerings and DOSE is now listed on several centralised and decentralised exchanges including KuCoin, Huobi, Okex, Gate.io, Pancakeswap, Apeswap and MEXC.

As at 30 June 2022 the price of a DOSE was USD 0.0164 per CoinMarketCap. Further details on recognition of digital assets are outlined at note 15 Digital Assets.

5.5. Events Subsequent to Reporting Date

There are no other significant after balance date events that are not covered in this Directors' Report or within the financial statements at note 34 Events subsequent to reporting date.

5.6. Future Developments, Prospects and Business Strategies

Likely developments, future prospects and business strategies of the operations of the Company and the expected results of those operations have not been included in this report as the Directors believe that the inclusion of such information would be likely to result in unreasonable prejudice to the Company.

5.7. Environmental Regulations

The Company's operations are not subject to significant environmental regulations in the jurisdictions it operates in, namely Australia.

5.8. ASIC highlights focus areas

The Board has noted ASICs recent focus on 30 June 2022 reporting (22-124MR), and in light of this, have assessed the current and future performance of the Company, values of its assets, provisions and business strategies by the uncertainties and risks in the following areas: availability of skilled staff and expertise, impact of rising interest rates, technological changes and innovation, legislative and regulatory changes with respect to digital assets, and global economic developments. The board has addressed risks in note 29(iv).

Rumjahn

KEITH RUMJAHN
Managing Director and Chief Executive Officer
Dated this Friday, 30 September 2022

Directors' report

6. Information relating to the Directors

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

- **Mr. Keith Rumjahn**
  - Managing Director and Chief Executive Officer
  - Experience and qualifications
    - Mr. Rumjahn was previously founder and CEO of Coachbase, developer of the no.1 paid sports app on iOS, Android and Mac globally which was acquired by Animoca Brands. Coachbase developed a digital coaching clipboard for sports coaches to illustrate their tactics and also a subscription-based video coaching app partnering with NBA coaches Lionel Hollins and Jeff Hornacek.
    - Mr. Rumjahn graduated with a Bachelor of Computer Science from Queen's University Canada and has worked as a software developer at Caseware international in Toronto prior to starting his own business.
  - Interest in Shares and Options
    - 6,733,543 Ordinary Shares
      472,976 MD Performance Rights
      250,000 Class A Director Options
      250,000 Class B Director Options
      250,000 Class C Director Options
  - Directorships held in other listed entities
    - None

Mr Sonny Vu

- Non-executive Chairman
- Experience and qualifications.
  - Mr Vu is a senior executive with extensive experience in start-up companies and the technology sector. Mr Vu began his career with Microsoft before establishing natural language processing company FireSpout. Following the acquisition of FireSpout by AskJeeves (now ask.com) in 2001, Mr Vu founded AgaMatrix, which was focused on developing biosensors to monitor diabetes patients.
  - Following his tenure as Chairman of AgaMatrix, Mr Vu founded wearable activity tracking technology company, Misfit. During his time with Misfit, he focused on brand development, international expansion and sales. Mr Vu raised US$64m for the company over three rounds, before it was acquired by Fossil Group (NASDAQ: FOSL) in 2015 for US$260m. Following the acquisition, Mr Vu became president and CTO of connected devices with Fossil Group.
  - Mr Vu founded Alabaster, a company focused on early stage investments in companies building radical solutions that will have a positive, planet-level impact. The group has over 30 early stage investments in materials, science, semiconductors and biotechnology, energy, food and consumer products.
  - Mr Vu holds the CEO position at AREVO, a company focused on advances in material science, design software and robotics technology to automate the production of continuous carbon fibre composite products.
- Interest in Shares and Options
  - 2,715,742 Ordinary Shares
    250,000 Class A Director Options
    250,000 Class B Director Options
    250,000 Class C Director Options
- Directorships held in other listed entities
  - None

Directors' report

6. Information relating to the Directors (cont'd)

- **Mr. Yat Siu**
  - Non-Executive Director

  Experience and qualifications
  - Mr Siu is the founder and CEO of Outblaze Limited, a digital media company specializing in gaming, cloud technology, and smartphone/tablet software development. In 2009, Mr Siu sold Outblaze's messaging division to IBM and successfully pivoted Outblaze Limited from B2B messaging services to B2C digital entertainment. Mr Siu is a director for TurnOut Ventures Limited, a partnership between Outblaze Investments Limited, Animoca Brands and Turner Entertainment Holdings Asia-Pacific Limited, and Mr Siu is co-founder of Appionics (known by the consumer brand 'Animoca'), a major developer and publisher of smartphone games. In 2012, Mr Siu set up ThinkBlaze, the research arm of Outblaze Limited dedicated to investigating socially meaningful issues related to technology.
    Mr Siu has earned numerous accolades including Global Leader of Tomorrow at the World Economic Forum, and Young Entrepreneur of the Year at the DHL/SCMP Awards. Mr Siu is a supporter of various NGOs and serves on the board of directors for the Asian Youth Orchestra.

  Interest in Shares and Options
  - **Direct**
    1,240,065 Ordinary Shares
    250,000 Class A Director Options
    250,000 Class B Director Options
    250,000 Class C Director Options
    Indirect – Animoca Brands Limited
    32,100,908 Ordinary Shares
    Indirect – Gorgeous Star Ventures Limited
    750,000 Ordinary Shares

  Directorships held in other listed entities
  - Director of Animoca Brands Corporation Limited (Previously ASX Listed)
    The Director is the practical controller of the registered shareholder of Gorgeous Star Ventures Limited

- **Mr. David Do**
  - Non-executive Director (Appointed 24 August 2021)

  Experience and qualifications.
  - David Do is a Managing Director at VI Group, a Vietnam focused Private Equity firm with over $500 Million under management. VI Group has investments in technology, media, education, healthcare, consumer services (food services, entertainment, retail, travel and hospitality) & logistics.
    David was previously a General Manager at Microsoft where he led Strategy, Mergers & Acquisitions, Investments, Joint Ventures and Post-Merger Integration. His operating experience includes managing global retail, telecom, media, payments sectors for Microsoft's services businesses and well as serving as a member of the Board of Directors of MSNBC, CNBC, ninemsn and companies in China, Australia, Mexico and the Middle East. He was an Independent Director of Wotif (the largest listed Online Travel Agency for Australia, New Zealand and SE-Asia) acquired by Expedia for over $700 Million.
    Prior to working at Microsoft, David was a member of the Founding Team at EachNet, the leading Chinese e-commerce firm which was acquired by eBay for $225 Million. David has also worked at The Boston Consulting Group (BCG) and JP Morgan. David has an MBA from Harvard University. He also holds a Bachelor of Commerce from the University of New South Wales.

  Special responsibilities
  - Chair of Audit & Risk Committee

  Interest in Shares and Options
  - Nil

  Directorships held in other listed entities
  - None

  Former directorships in the last 3 years
  - None

Directors' report

6. Information relating to the Directors (cont'd)

- **Ms. Maja McGuire**

	○ Non-executive Director (Appointed 24 August 2021)
Experience and qualifications.	○ Ms McGuire is an Australian qualified lawyer with almost 15 years' experience in the provision of corporate and compliance advice to ASX listed public companies. This includes working with listed companies as a non-executive director, general counsel, company secretary and in top tier private practice. Ms McGuire holds BComm and LLB qualifications from The University of Western Australia. Ms McGuire commenced her career in 2008 at Clayton Utz, Perth, where she gained experience in a broad range of corporate, commercial, and banking & finance matters. Ms McGuire advised companies and executives within Australia and internationally who operate in a variety of sectors. In 2011 Maja joined the Canadian Bankers Association, Toronto, where she advocated on behalf of Canadian banks on issues pertaining to developments in domestic and international banking regulation related primarily to capital adequacy and funding. Between 2014 – 2018, Ms McGuire was both Company Secretary and Legal Counsel of previously named Admedus Limited (now Anteris Technologies Ltd ASX:AVR), a global healthcare company focused on developing, commercialising, manufacturing and distributing next generation medical technologies and devices. Subsequently, between 2018 – 2020, Ms McGuire undertook the role of Company Secretary and Legal Counsel at US based Alexium International Group Limited (ASX: AJX), a company which holds proprietary patent applications for novel technologies developed to provide thermal regulation and flame retardancy. Ms McGuire continues her career as a corporate consultant and board director, bringing extensive experience in ASX Listing Rule and Corporations Act compliance, capital raisings, corporate governance, general commercial contracts and dispute resolution.
Special responsibilities	○ Audit & Risk Committee member
Interest in Shares and Options	○ Nil
Directorships held in other listed entities	○ Non-executive Chair of TechGen Metals Limited (ASX) Non-executive Director of Kuniko Limited (ASX)

- **Ms. Karen Contet**

	○ Non-executive Director (Resigned 10 June 2022)
Experience and qualifications.	○ Ms. Contet is the co-founder & CEO of AngelHub the only SFC - licensed tech investment platform and co-founder of WHub.io a startup ecosystem builder and power connector. Ms Contet is a founding board member of the FinTech Association of Hong Kong. Ms Contet is an international speaker (Startup Impact Summit, Vivatech, InspireFest, RISE, JSConf), a French Foreign Trade Advisor, and mentor for several accelerator programs. Ms Contet has been working in Asia for 17 years, starting in Tokyo as JP Morgan Exotic Equity Derivatives Trader to Software Engineer for an IoT Startup before founding both WHub and AngelHub. Ms Contet has a double degree in engineering (France EPF - Canada ETS) and a Master's in International Finance from HEC Paris.
Special responsibilities	○ Audit & Risk Committee member
Interest in Shares and Options	○ Nil
Directorships held in other listed entities	○ None
Former directorships in the last 3 years	○ None

Directors' report

6. Information relating to the Directors (cont'd)

- **Mr. Xavier Kris**
  - Executive Director (Resigned 24 August 2021)

  Experience and qualifications
  - Senior leadership expertise over 20 years' experience as a director of service-based information technology, telecommunication, research and development and media businesses in the UK, France, USA, South East Asia and Australia, Xavier specialises in providing acquisition, integration and business development services for companies seeking to expand their company operations internationally.
    Xavier most recently served as Managing Director of Swift Media Limited (**ASX:SW1**), including as Chairman for the last 6 months of his tenure. In addition, Xavier is a Director of PLUS 8, a hospitality labour hire, management, business brokerage and consulting group, and the founding partner of Boardroom Capital, a boutique corporate advisory firm based in Perth, Western Australia.
    Xavier holds an English Law and French Degree and a Master of Business Administration. Xavier has also completed the 'Company Directors Course' conducted by the AICD and has obtained the qualification of GAICD.

  Interest in Shares and Options
  - **Indirect – Tri-Nation Holdings Pty Ltd <Kris Family A/C>**
    250,000 Ordinary Shares
    250,000 Class A Director Options
    250,000 Class B Director Options
    Indirect – Tri-Nation Holdings Pty Ltd <Kris Family Trust No. 2 A/C>
    275,000 Ordinary Shares
    Indirect – Four Nation Holdings Pty Ltd <Kris Family Trust No. 2 A/C>
    255,319 Ordinary Shares

  Directorships held in other listed entities
  - Executive Director of Sky and Space Global Limited (ASX)
    Non-executive Director of Cycliq Group Limited (ASX)

  Former directorships in the last 3 years
  - Executive Director of Swift Media Limited (ASX) resigned 26 June 2019

- **Mr John Bell**
  - Non-Executive Director (Resigned 24 August 2021)

  Qualifications
  - B Bus, CAANZ

  Experience and qualifications.
  - Mr. Bell is a Chartered Accountant and a business professional with international business and financial management expertise. Mr Bell's experience ranges from corporate advisory, as director corporate of Hall Chadwick, to executive management, where as CFO at Saffron Digital, he was part of the management team responsible for the transformation and growth from small start up to multinational, and for managing the sale to one of the world's leading mobile handset manufacturers. Mr Bell has been director, CFO and company secretary for a range of listed and unlisted companies.

  Interest in Shares and Options
  - **Indirect – Bellray Holdings Pty Ltd**
    18,455 Ordinary Shares
    60,000 Class A Director Options
    60,000 Class B Director Options
    Indirect – Centre Forward Pty Ltd <Top Corner A/C>
    15,000 Ordinary Shares
    Indirect – Super Cloche Pty Ltd <La Cloche Superannuation Fund A/C>
    25,000 Ordinary Shares

  Directorships held in other listed entities
  - None.

Directors' report

7. Company Secretary

- **Mr. Marshall Lee**
  - Joint Company Secretary (appointed 24 August 2021)
  - Qualifications: B Bus, CAANZ
  - Experience and qualifications: Mr. Lee is a Chartered Accountant and experienced finance professional with over 13 years in senior finance positions with ASX listed and private companies.

- **Mr. Joel Ives**
  - Joint Company Secretary (appointed 24 August 2021)
  - Qualifications: B Bus, CAANZ
  - Experience and qualifications: Finance & Business Advisory Executive specialising in CFO, Accounting, Company Secretarial services and Mergers and Acquisitions for private companies as well as ASX listed and public small cap companies across various industries.

    Mr Ives currently acts as Company Secretary to DigitalX Limited (ASX:DCC), Kuniko Limited (ASX:KNI), OD6 Metals Limited (ASX:OD6) and Green Technology Metals Limited (ASX:GT1).

8. Meetings of directors and committees

During the period two meetings of Directors (including committees of Directors) were held. Attendances by each Director during the period are stated in the following table.

	Directors' Meetings		Remuneration & Nomination Committee		Audit & Risk Committee	
	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended	Number eligible to attend	Number Attended
Keith Rumjahn	11	11	-	-	-	-
Sonny Vu	11	8	1	1	-	-
Yat Siu	11	10	1	1	-	-
David Do	10	10	1	1	1	1
Maja McGuire	10	9	1	1	1	1
Karen Contet	10	9	1	1	1	1
John Bell	1	1	-	-	-	-
Xavier Kris	1	1	-	-	-	-

9. Indemnifying officers or auditor

9.1. Indemnification

The Company has entered an Indemnity, Insurance and Access Deed with each Director. Pursuant to the Deed:

The Director is indemnified by the Company against any liability incurred in that capacity as an officer of the Company to the maximum extent permitted by law subject to certain exclusions.

The Company must keep a complete set of company documents until the later of:

- The date which is seven years after the Director ceases to be an officer of the Company; and
- The date after a final judgment or order has been made in relation to any hearing, conference, dispute, enquiry or investigation in which the Director is involved as a party, witness or otherwise because the Director is or was an officer of the Company (**Relevant Proceedings**).

The Director has the right to inspect and copy a Company document in connection with any relevant proceedings during the period referred to above.

Directors' report

9.1. Indemnification (continued)

Subject to the next sentence, the Company must maintain an insurance policy insuring the Director against liability as a director and officer of the Company while the Director is an officer of the Company and until the later of:

a. The date which is seven years after the Director ceases to be an officer of the Company; and

b. The date any Relevant Proceedings commenced before the date referred to above have been finally resolved.

The Company may cease to maintain the insurance policy if the Company reasonably determines that the type of coverage is no longer available.

The Company has not entered into any agreement with its current auditors indemnifying them against any claims by third parties arising from their report on the financial report.

9.2. Insurance premiums

During the period the Company paid insurance premiums to insure directors and officers against certain liabilities arising out of their conduct while acting as an officer of the Group. In accordance with the policy, the amount of premium cannot be disclosed.

10. Options

10.1. Unissued shares under option

At the date of this report, the un-issued ordinary shares of OliveX Holdings Limited under option (unlisted) are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option	Value Per Option
24 August 2020	24 August 2023	$0.20	1,060,000	$0.0984
24 August 2020	24 August 2024	$0.20	1,060,000	$0.1114
24 August 2020	24 August 2025	$0.20	750,000	$0.1219
24 August 2020	24 August 2023	$0.20	3,700,000	$0.0984
24 August 2020	24 August 2023	$0.20	50,200	$0.1981
15 February 2021	15 February 2024	$0.20	50,000	$0.3207
			6,670,200	

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

10.2. Shares issued on exercise of options

Since the end of the financial period, the Company has issued 100,000 ordinary shares as a result of the exercise of options.

11. Non-audit services

During the period, Moore Australia Audit (WA), the Company's auditor, did not perform any services other than their statutory audits. Details of remuneration paid to the auditor can be found within the financial statements at note 3 Auditor's remuneration.

In the event that non-audit services are provided by Moore Australia Audit (WA), the Board has established certain procedures to ensure that the provision of non-audit services are compatible with, and do not compromise, the auditor independence requirements of the *Corporations Act 2001*. These procedures include:

- non-audit services will be subject to the corporate governance procedures adopted by the Company and will be reviewed by the Board to ensure they do not impact the integrity and objectivity of the auditor; and
- ensuring non-audit services do not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

12. Proceedings on behalf of company

No person has applied for leave of Court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the period.

13. Auditor's independence declaration

The lead auditor's independence declaration under section 307C of the *Corporations Act 2001* (Cth) for the period ended 30 June 2022 has been received and can be found on page 21 of the annual report.

Directors' report

14. Remuneration report (audited)

The information in this remuneration report has been audited as required by s308(3C) of the Corporations Act 2001.

14.1. Key management personnel (KMP)

KMP have authority and responsibility for planning, directing and controlling the activities of the Group. KMP comprise the directors of the Company and key executive personnel:

- **Mr. Keith Rumjahn** Managing Director and Chief Executive Officer
- **Mr. Sonny Vu** Non-Executive Chairman
- **Mr. Yat Siu** Non-Executive Director
- **Mr. David Do** Non-Executive Director *(appointed 24 August 2021)*
- **Ms. Maja McGuire** Non-Executive Director *(appointed 24 August 2021)*
- **Ms. Karen Contet** Non-Executive Director (*resigned 10 June 2022*)
- **Mr. Xavier Kris** Executive Director *(resigned 24 August 2021)*
- **Mr. John Bell** Non-Executive Director *(resigned 24 August 2021)*

14.2. Principles used to determine the nature and amount of remuneration

The remuneration policy of the Company has been designed to ensure reward for performance is competitive and appropriate to the result delivered. The framework aligns executive reward with the creation of value for shareholders, and conforms to market best practice. The Board ensures that Director and executive reward satisfies the following key criteria for good reward government practices:

- Competitiveness and reasonableness;
- Acceptability to the shareholder;
- Performance;
- Transparency; and
- Capital management.

The remuneration policy has been tailored to increase the direct positive relationship between shareholders' investment objectives and Directors' and Executives' performance. Currently, this is facilitated through the issues of options to the majority of Directors and Executives to encourage the alignment of personal and shareholder interests. The Company believes this policy will be effective in increasing shareholder wealth. The Board's policy for determining the nature and amount of remuneration for Board members and Senior Executive of the Company is as follows:

- **Executive Directors and other Senior Executives**

  The Company’s remuneration policy for executive directors and senior management is designed to promote superior performance and long-term commitment to the Company. Executives receive a base remuneration which is market related and may receive performance-based remuneration. The Board reviews Executive packages annually by reference to the Company's performance, executive performance, and comparable information from industry sectors and other listed companies in similar industries. Executives are also entitled to participate in employee share and option schemes.

- **Non-Executive Directors**

  The Company's Constitution provides that Directors are entitled to be remunerated for their services as follows:

  - The total aggregate fixed sum per annum to be paid to the Directors (excluding salaries of executive Directors) from time to time will not exceed the sum determined by the Shareholders in general meeting and the total aggregate fixed sum will be divided between the Directors as the Directors shall determine and, in default of agreement between them, then in equal shares.
  - The Directors' remuneration accrues from day to day.
  - The total aggregate fixed sum per annum which may be paid to non-executive Directors is $300,000. This amount cannot be increased without the approval of the Company's Shareholders.

  The Directors are entitled to be paid reasonable travelling, accommodation and other expenses incurred by them respectively in or about the performance of their duties as Directors.

Directors' report

14. Remuneration report (audited)

- **Fixed Remuneration**

  Other than statutory superannuation contribution, no retirement benefits are provided for Executive and Non-Executive Directors of the Company. To align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the company.

- **Performance Based Remuneration – Short-term and long-term incentive structure**

  The Board will review short-term and long-term incentive structures from time to time. Any incentive structure will be aligned with shareholders' interests

  - **Short-term incentives**

    Nil short-term incentives were granted during the year ended 30 June 2022 (30 June 2021: $1,785).

  - **Long-term incentives**

    The Board has a policy of granting incentive options to executives with exercise prices above market share price. As such, incentive options granted to executives will generally only be of benefit if the executives perform to the level whereby the value of the Group increases sufficiently to warrant exercising the incentive options granted.

    The executive Directors will be eligible to participate in any short term and long-term incentive arrangements operated or introduced by the Company (or any subsidiary) from time to time.

    During the year, the Company issued 472,976 long-term incentives to the MD, Keith Rumjahn with details included under note 22(c).

- **Service Contracts**

  Remuneration and other terms of employment for the directors, KMP and the company secretary are formalised in contracts of employment.

- **Engagement of Remuneration Consultants**

  During the period, the Company did not engage any remuneration consultants.

- **Relationship between Remuneration of KMP and Earnings**

  The Board does not consider earnings during the current period when determining the nature and amount of remuneration of KMP.

Directors' report

Remuneration report (audited)

14.3. Directors and KMP remuneration

Details of the remuneration of the Directors and KMP of the Group (as defined in AASB 124 Related Party Disclosures) are set out in the following table.

2022 – Company *Group KMP*	Short-term benefits				Post-employment benefits	Long-term benefits	Equity-settled share-based payments		Total	Performance Related
	Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Super-annuation	Other	Equity	Options		
	$	$	$	$	$	$	$	$	$	%
Keith Rumjahn	180,000	-	-	-	-	-	36,765	-	216,765	17%
Sonny Vu	50,000	-	-	-	-	-	-	-	50,000	0%
Yat Siu	30,000	-	-	-	-	-	-	-	30,000	0%
David Do[1]	25,625	-	-	-	-	-	-	-	25,625	0%
Maja McGuire[2]	25,625	-	-	-	-	-	-	-	25,625	0%
Karen Contet[3]	28,356	-	-	-	-	-	-	-	28,356	0%
Xavier Kris [4]	-	-	-	-	-	-	-	-	-	0%
John Bell[5]	1,250	-	-	-	-	-	-	-	1,250	0%
	340,856	-	-	-	-	-	36,765	-	377,621	10%

(1) Appointed 24 August 2021
(2) Appointed 24 August 2021
(3) Resigned 10 June 2022
(4) Resigned 24 August 2021
(5) Resigned 24 August 2021

2021 – Company *Group KMP*	Short-term benefits				Post-employment benefits	Long-term benefits	Equity-settled share-based payments		Total	Performance Related
	Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Super-annuation	Other	Equity	Options		
	$	$	$	$	$	$	$	$	$	%
Keith Rumjahn(1)	168,216	1,785	-	536	-	-	-	61,204	231,741	26%
Sonny Vu(4)	37,500	-	-	-	-	-	125,945	61,204	224,649	27%
Yat Siu(1)	25,479	-	-	-	-	-	-	61,204	86,683	71%
Karen Contet(5)	4,346	-	-	-	-	-	-	-	4,346	0%
Xavier Kris (2)	50,000	-	-	-	-	-	60,000	61,204	171,204	36%
John Bell(3)	25,479	-	-	-	-	-	-	14,690	40,169	37%
	311,020	1,785	-	536	-	-	185,945	259,506	758,792	59%

(1) Appointed 30 April 2019
(2) Appointed 15 October 2019
(3) Appointed 1 May 2020
(4) Appointed 1 October 2020
(5) Appointed 10 May 2021
(6) Other changes during the period relate to acquisition and disposals for Directors and their related parties.

Directors' report

Remuneration report (audited)

14.4. Service Agreements

a. **Mr Keith Rumjahn – Executive Director Agreement**

The Company has the following agreement with Keith Rumjahn under the CEO and Executive agreement, the terms of which are set out below:

- Mr Rumjahn is entitled to the following remuneration under the CEO Agreement:
  i. A$180,000 per annum.

- Mr Rumjahn is entitled to the following remuneration under the Executive Engagement Letter:
  i. Remuneration under the CEO Agreement includes his remuneration and fees for acting as an Executive Director of the Company under the Executive Engagement Letter, no addition cash amounts is payable under the Executive Engagement Letter; and
  ii. 750,000 Director Options on completion of the Company's listing on the NSX in the following proportions:
    – 250,000 Class A Directors Options;
    – 250,000 Class B Directors Options; and
    – 250,000 Class C Directors Options.

b. **Mr. Yat Siu - Non-executive Director agreement**

The Company has the following agreement with Mr Yat Siu pursuant to which Mr Siu was appointed as an Non-Executive Director.

Mr Siu is entitled to director's fees of $30,000 per annum for his role as Non-executive Director. The fees are inclusive of any superannuation to the extent that it is payable.

The fees will be paid via shares issued at the start of each year. Mr Siu agreed that in the event he ceased to hold office with the Company prior to the expiry of the year, the Company will be required to selectively buy-back any portion of Shares issued.

In addition to the fees, Mr Siu was issued 750,000 Director Options on completion of the Company's listing on the NSX in the following proportions:

i. 250,000 Class A Director Options;
ii. 250,000 Class B Director Options; and
iii. 250,000 Class C Director Options.

c. **Mr Sonny Vu – Non-Executive Chairman Agreement**

The Company has the following agreement letter with Mr. Sonny Vu pursuant to which Mr Vu was appointed as an Non-executive Chairman.

Mr Vu is entitled to director's fees of $50,000 per annum for his role as Non-executive Chairman. The fees are inclusive of any superannuation to the extent that it is payable.

14.5. Share-based compensation

There were no options were granted to the Directors during the period ended 30 June 2022.

There were no equity instruments issued during the period to Directors as a result of options exercised that had previously been granted as compensation.

a. **Securities Received that are not performance-related**

No members of KMP are entitled to receive securities that are not performance-based as part of their remuneration package.

b. **Options and Rights Granted as Remuneration**

476,976 Performance Rights were granted to Keith Rumjahn as part of his remuneration during the period ended 30 June 2022.

No options were granted as remuneration during the period ended 30 June 2022.

Directors' report

Remuneration report (audited)

14.6. KMP equity holdings

a. **Fully paid ordinary shares of OliveX Holdings Limited held by each KMP**

2022 *KMP*	Balance at 30-Jun-21 No.	Received during the period as compensation No.	Received during the period on the exercise of options No.	Received during the period on conversion of performance rights No.	Other changes/ resignation during the period No.(6)	Balance at end of period No.
Keith Rumjahn	3,031,786	-	-	3,701,757	-	6,733,543
Sonny Vu	1,618,339	-	-	1,097,403	-	2,715,742
Yat Siu	16,232,614	-	-	15,200,840	2,657,519	34,090,973
David Do[1]	-	-	-	-	-	-
Maja McGuire[2]	-	-	-	-	-	-
Karen Contet[3]	-	-	-	-	-	-
Xavier Kris [4]	780,319	-	-	-	-	780,319
John Bell[5]	115,000	-	-	-	(56,545)	58,455
	21,778,058	-	-	20,000,000	2,600,974	44,379,032

(1) Appointed 24 August 2021
(2) Appointed 24 August 2021
(3) Resigned 10 June 2022
(4) Resigned 24 August 2021
(5) Resigned 24 August 2021
(6) Other changes during the period relate to acquisitions and disposals for Directors and their related parties

2021 *KMP*	Balance at incorporation No.	Received during the period as compensation No.	Received during the period on the exercise of options No.	Received during the period on conversion of performance rights No.	Other changes/ resignation during the period No.(6)	Balance at end of period No.
Keith Rumjahn(1)	-	-	-	-	3,031,786	3,031,786
Sonny Vu(4)	-	671,238	-	-	947,151	1,618,339
Yat Siu(1)	1,000	150,000	-	-	16,081,614	16,232,614
Karen Contet(5)	-	-	-	-	-	-
Xavier Kris (2)	-	505,319	-	-	275,000	780,319
John Bell(3)	-	75,000	-	-	40,000	115,000
	1,000	1,401,557	-	-	20,375,551	21,778,058

(1) Appointed 30 April 2019
(2) Appointed 15 October 2019
(3) Appointed 1 May 2020
(4) Appointed 1 October 2020
(5) Appointed 10 May 2021
(6) Other changes during the period relate to acquisition and disposals for Directors and their related parties.

Directors' report

Remuneration report (audited)

14.6. KMP equity holdings (continued)

b. **Performance rights in OliveX Holdings Limited held by each KMP**

2022 *KMP*	Balance at 30-Jun-21 No.	Granted as Remuneration during the period No.	Converted during the period No.	Other changes during the period No. [(6)]	Balance at end of period No.	Vested and convertible No.	Not Vested No.
Keith Rumjahn	3,701,757	476,976	(3,701,757)	-	476,976	-	476,976
Sonny Vu	1,097,403	-	(1,097,403)	-	-	-	-
Yat Siu	15,200,840	-	(15,200,840)	-	-	-	-
David Do[1]	-	-	-	-	-	-	-
Maja McGuire[2]	-	-	-	-	-	-	-
Karen Contet[3]	-	-	-	-	-	-	-
Xavier Kris [4]	-	-	-	-	-	-	-
John Bell[5]	-	-	-	-	-	-	-
	20,000,000	476,976	(20,000,000)	-	476,976	-	476,976

(1) Appointed 24 August 2021
(2) Appointed 24 August 2021
(3) Resigned 10 June 2022
(4) Resigned 24 August 2021
(5) Resigned 24 August 2021
(6) Other changes during the period relate to acquisitions and disposals for Directors and their related parties

2021 *KMP*	Balance at 30-Jun-20 No.	Granted as Remuneration during the period No.	Converted during the period No.	Other changes during the period No. [(6)]	Balance at end of period No.	Vested and convertible No.	Not Vested No.
Keith Rumjahn[(1)]	-	-	-	3,701,757	3,701,757	3,701,757	-
Yat Siu[(1)]	-	-	-	15,200,840	15,200,840	15,200,840	-
Xavier Kris [(2)]	-	-	-	-	-	-	-
John Bell[(3)]	-	-	-	-	-	-	-
Sonny Vu[(4)]	-	-	-	1,097,403	1,097,403	1,097,403	-
Karen Contet[(5)]	-	-	-	-	-	-	-
	-	-	-	20,000,000	20,000,000	20,000,000	-

(1) Appointed 30 April 2019
(2) Appointed 15 October 2019
(3) Appointed 1 May 2020
(4) Appointed 1 October 2020
(5) Appointed 10 May 2021
(6) Other changes during the period relate to acquisition and disposals for Directors and their related parties.

Directors' report

Remuneration report (audited)

14.6. KMP equity holdings (continued)

c. Unlisted options in OliveX Holdings Limited held by each KMP

2022 *KMP*	Balance at 30-Jun-21 No.	Granted as Remuneration during the period No.	Exercised during the period No.	Other changes/ resignation during the period No.	Balance at end of period No.	Vested and Exercisable No.	Not Vested No.
Keith Rumjahn	750,000	-	-	-	750,000	750,000	-
Sonny Vu	750,000	-	-	-	750,000	750,000	-
Yat Siu	750,000	-	-	-	750,000	750,000	-
David Do[1]	-	-	-	-	-	-	-
Maja McGuire[2]	-	-	-	-	-	-	-
Karen Contet[3]	-	-	-	-	-	-	-
Xavier Kris[4]	750,000	-	-	(250,000)	500,000	500,000	-
John Bell[5]	180,000	-	-	(60,000)	120,000	120,000	-
	3,180,000	-	-	(310,000)	2,870,000	2,870,000	-

(1) Appointed 24 August 2021
(2) Appointed 24 August 2021
(3) Resigned 10 June 2022
(4) Resigned 24 August 2021
(5) Resigned 24 August 2021
(6) Other changes during the period relate to acquisitions and disposals for Directors and their related parties

2021 *KMP*	Balance at 30-Jun-20 No.	Granted as Remuneration during the period No.	Exercised during the period No.	Other changes/ resignation during the period No.	Balance at end of period No.	Vested and Exercisable No.	Not Vested No.
Keith Rumjahn[(1)]	-	750,000	-	-	750,000	250,000	500,000
Yat Siu[(1)]	-	750,000	-	-	750,000	250,000	500,000
Xavier Kris[(2)]	-	750,000	-	-	750,000	250,000	500,000
John Bell[(3)]	-	180,000	-	-	180,000	60,000	120,000
Sonny Vu[(4)]	-	750,000	-	-	750,000	250,000	500,000
Karen Contet[(5)]	-	-	-	-	-	-	-
	-	3,180,000	-	-	3,180,000	1,060,000	2,120,000

(1) Appointed 30 April 2019
(2) Appointed 15 October 2019
(3) Appointed 1 May 2020
(4) Appointed 1 October 2020
(5) Appointed 10 May 2021
(6) Other changes during the period relate to acquisition and disposals for Directors and their related parties.

Directors' report

Remuneration report (audited)

14.7. Other Equity-related KMP Transactions

There have been no other transactions involving equity instruments other than those described in the tables above relating to options, rights and shareholdings.

14.8. Other transactions with KMP and or their Related Parties

During the 2022 financial period, the Group incurred the following amounts to related parties:

a. XJRK Management Group Pty Ltd – Consulting Agreement $108,428

The Company has a consulting agreement with XJRK Management Group Pty Ltd (XJRK), an entity controlled by Mr Kris. XJRK has been engaged to provide various corporate consulting services to the Company including, but not limited to, developing corporate, business, marketing and operation plans and facilitating opportunities for business growth and expansion (Consultancy Services).

The Company will pay the following fees to XJRK for providing the Consultancy Services:

- $190 per hour for at least 80 hours per month, to a maximum charge of $15,200 per month;
- For hours of service performed over 90 hours per month will be charged at $190 per hour, up to a maximum of $6,000 per month;
- The Company will also reimburse XJRK for all out-of-pocket expense.

The Company has paid $108,428 to XJRK Management for the financial year (2021: $242,400) and NIL outstanding at the end of the financial year.

The Board considers that the XJRK engagement to be on arms' length and commercial terms.

b. Hall Chadwick Corporate Pty Ltd – Engagement Letter $267,859

The Company had an engagement letter with Hall Chadwick Corporate Pty Ltd, an entity of which Mr John Bell is a director, for the provision of director, virtual CFO and company secretarial services to the Company.

The Company has paid $267,859 to Hall Chadwick for the financial year (2021: $301,397) and NIL outstanding at the end of the financial year.

The Board considers that the Hall Chadwick Corporate Pty Ltd engagement to be on arms' length and commercial terms.

Refer also Note 27 Other related party transactions.

END OF REMUNERATION REPORT

This Report of the Directors, incorporating the Remuneration Report, is signed in accordance with a resolution of directors made pursuant to s.298(2) of the *Corporations Act 2001* (Cth).

Rumjahn

KEITH RUMJAHN
Managing Director and Chief Executive Officer
Dated this Friday, 30 September 2022

Moore Australia Audit (WA)

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

I declare that, to the best of my knowledge and belief, during the period ended 30 June 2022, there have been:

a) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and

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

Neil Pace

NEIL PACE
PARTNER

Moore Australia

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 30th day of September 2022.

Consolidated Statement of profit or loss and other comprehensive income

for the year ended 30 June 2022

	Note	30 June 2022 $	30 June 2021 $
Revenue	4	2,982,855	643,856
Cost of sales		(1,359,365)	(437,263)
Gross Profit		1,623,490	206,593
Other income	4	53,030	102,449
Consulting expenses		(2,613,267)	(1,940,900)
Depreciation and amortisation expenses	5	(1,864,640)	(15,253)
Employment expenses	5	(4,259,650)	(1,647,295)
Exchange fluctuation (loss)/gain		52,863	185,658
Finance expenses	5	(117)	(49,720)
Impairment expense	5	(472,646)	-
Marketing expenses		(568,771)	(345,607)
Office expenses		(417,826)	(222,473)
Research and development expenses		-	(28,091)
Share based payment expenses	25	(174,977)	(3,602,199)
Travel and accommodation expenses		(135,819)	(8,196)
Fair value increase/(decrease) in digital assets		(2,607,942)	(210,331)
Other expenses		(1,676,711)	
Loss before tax		(13,062,983)	(7,575,365)
Income tax expense / (credit)	6	454,805	-
Net loss after tax for the period		(12,608,178)	(7,575,365)
Other comprehensive income, net of income tax			
■ Items that will not be reclassified subsequently to profit or loss			
☐ Fair value increase/(decrease) in digital assets		1,523,484	-
■ Items that may be reclassified subsequently to profit or loss			
☐ Foreign currency movement gain/(loss)		(219,640)	234,295
Other comprehensive income for the period, net of tax		1,303,844	234,295
Total comprehensive income attributable to members of the parent entity		(11,304,334)	(7,341,070)
Earnings per share:			
Basic loss per share (cents)	7	(14.17)	(20.19)
Diluted loss per share (cents)	7	(14.17)	(20.19)

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

Consolidated Statement of financial position

as at 30 June 2022

	Note	30 June 2022 $	30 June 2021 $
Current assets			
Cash and cash equivalents	8	7,940,025	3,212,766
Trade and other receivables	9	1,736,989	498,170
Inventories	10	69,655	315,406
Other current assets	12	1,285,373	90,131
Total current assets		11,032,042	4,116,473
Non-current assets			
Plant and equipment	13	153,778	76,567
Intangible assets	14	9,555,766	377,606
Digital assets	15	5,997,206	54,688
Other non-current assets	16	50,677	5,446,504
Total non-current assets		15,757,427	5,955,365
Total assets		26,789,469	10,071,838
Current liabilities			
Trade and other payables	17	1,082,763	1,504,295
Dose token payable	18	14,785,665	-
Provisions	21	91,422	63,923
Unearned revenue	19	386,483	-
Total current liabilities		16,346,333	1,568,218
Non-current liabilities			
Deferred consideration	20	1,555,082	-
Total non-current liabilities		1,555,082	-
Total liabilities		17,901,415	1,568,218
Net assets		8,888,054	8,503,620
Equity			
Issued equity	22	31,834,583	17,944,144
Reserves	23	477,363	1,375,190
Accumulated losses		(23,423,892)	(10,815,714)
Total equity		8,888,054	8,503,620

The consolidated statement of financial position is to be read in conjunction with the accompanying notes

Consolidated statement of changes in Equity
for the half year ended 30 June 2022

	Note	Issued Capital $	Other Equity $	Share Premium Reserve $	Common Control Reserve $	Option Reserve $	Performance Rights Reserve $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2020		271,599	500,000	67,650	-	-	-	(79,696)	(3,240,349)	(2,480,796)
Loss for the year attributable owners of the parent		-	-	-	-	-	-	-	(7,575,365)	(7,575,365)
Other comprehensive income for the period attributable to owners of the parent attributable		-	-	-	-	-		234,295	-	234,295
Total comprehensive income for the year attributable owners of the parent		-	-	-	-	-	-	234,295	(7,575,365)	(7,341,070)
Transactions with owners, directly in equity										
Shares issued during the year		15,790,840	(500,000)	-	-	-	-	-	-	15,290,840
Performance rights issued during the year		-	-	-	-	-	2,952,580	-	-	2,952,580
Options issued during the year		-	-	-	-	659,562	-	-	-	659,562
Shares issued under the Group Restructure		2,459,201	-	(67,650)	-	-	-	-	-	2,391,551
Common control reserve arising from Group		-	-	-	(2,391,551)	-	-	-	-	(2,391,551)
Transaction costs		(577,496)	-	-	-	-	-	-	-	(577,496)
Balance at 30 June 2021		17,944,144	-	-	(2,391,551)	659,562	2,952,580	154,599	(10,815,714)	8,503,620

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated statement of changes in Equity
for the half year ended 30 June 2022

	Note	Issued Capital $	Common Control Reserve $	Option Reserve $	Performance Rights Reserve $	Revaluation Reserve $	Foreign Currency Translation Reserve $	Accumulated Losses $	Total $
Balance at 1 July 2021		17,944,144	(2,391,551)	659,562	2,952,580	-	154,599	(10,815,714)	8,503,620
Loss for the year attributable owners of the parent		-	-	-	-	-	-	(12,608,178)	(12,608,178)
Other comprehensive income for the period attributable to owners of the parent attributable		-	-	-	-	1,523,484	(219,640)	-	1,303,844
Total comprehensive income for the year attributable owners of the parent		-	-	-	-	1,523,484	(219,640)	(12,608,178)	(11,304,334)
Transaction with owners, directly in equity									
Shares issued during the year		11,099,322	-	-	-	-	-	-	11,099,322
Transaction costs		(241,900)	-	-	-	-	-	-	(241,900)
Performance rights issued during the year		-	-	-	806,554	-	-	-	806,554
Options expired during the year		-	-	24,792	-	-	-	-	24,792
Conversion of performance rights to issued capital		3,033,017	-	-	(3,033,017)	-	-	-	-
Balance at 30 June 2022		31,834,583	(2,391,551)	684,354	726,117	1,523,484	(65,041)	(23,423,892)	8,888,054

The consolidated statement of changes in equity is to be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows
for the year ended 30 June 2022

	Note	30 June 2022 $	30 June 2021 $
Cash flows from operating activities			
Receipts from customers		3,453,016	527,944
Interest received		12,535	5
Interest paid		(178)	-
Payments to suppliers and employees		(12,292,463)	(3,398,014)
Research and development costs		-	(28,091)
Government Grants		12,707	9,622
Net cash used in operating activities	8c	(8,814,383)	(2,888,534)
Cash flows from investing activities			
Purchase of property, plant and equipment		(110,208)	(88,695)
Purchase of Volution.Fit		-	(377,606)
Purchase of Six to Start		(284,953)	(5,446,504)
Acquisition of investments		(48,362)	-
Acquisition of intangibles		(188,443)	-
Purchase of crypto assets		(10,972,502)	-
Proceeds from conversion of stable coin to fiat currency		4,131,166	-
Repayment from Loan		213,870	(133,378)
Short term advance (provided)/repaid		(2,706)	(63,098)
Net cash (used in)/provided by investing activities		(7,262,138)	(6,109,281)
Cash flows from financing activities			
Proceeds from share issue		7,900,000	12,755,235
Capital raising costs		(248,835)	(577,496)
Proceeds from DOSE token raise		13,225,304	-
Proceeds from other financial liabilities		-	29,343
Net cash provided by financing activities		20,876,469	12,207,082
Net cash flows		4,799,948	3,209,267
Cash and cash equivalents at the beginning of the period		3,212,766	3,499
Changes in foreign currency held		(72,689)	-
Cash and cash equivalents at the end of the period	8	7,940,025	3,212,766

The consolidated statement of cash flows is to be read in conjunction with the accompanying notes.

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 1. Statement of significant accounting policies

These are the consolidated financial statements and notes of OliveX Holdings Ltd (**OliveX** or **the Company**) and its controlled entities (collectively **the Group**). OliveX is a company limited by shares, domiciled and incorporated in Australia.

The registered office and the principal office of the Company is AMP Tower, Level 28, 140 St Georges Terrace, Perth, Western Australia. The financial statements were authorised for issue on 30 September 2022 by the directors of the Company.

a. **Basis of preparation**

The consolidated financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements, the Group is a for-profit entity. Material accounting policies adopted in the preparation of these financial statements are presented below. They have been consistently applied unless otherwise stated.

All amounts are presented in Australian Dollars, unless otherwise noted.

i. **Statement of compliance**

These financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board (**AAS Board**) and International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IASB**), and the *Corporations Act 2001* (Cth).

Australian Accounting Standards (**AASBs**) set out accounting policies that the AAS Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AASBs ensures that the financial statements and notes also comply with IFRS as issued by the IASB.

ii. **Going Concern**

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

The Group incurred a loss for the period of $12,608,178 (30 June 2021: $7,575,365 loss) and a net cash out-flow from operating activities of $8,814,383 (30 June 2021: 2,888,534 out-flow).

The Directors believe that it is reasonably foreseeable that the Group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following factors:

- The Group has cash and cash equivalents of $7,940,025 as at 30 June 2022.
- The Company plans to undertake future capital raisings to continue the growth of the business and to provide sufficient working capital.
- The Company intends to and is committed to explore strategic opportunities to further drive revenue growth and profitability.
- The Company has the ability and means to convert digital stable coins into Fiat currency where required, as disclosed in note 15.

The ability of the Group to continue as a going concern is principally dependent upon the ability of the Company to secure funds from future capital raisings, generating sufficient revenues through its technology assets and managing its contractual and discretionary cash outflows in line with available funds to enable the Group to meet both its current obligations and its committed future expenditure. The Directors have prepared a cashflow forecast for the foreseeable future reflecting this expectation. The achievement of the forecast is dependent upon a combination of events as described above, the outcome of which is uncertain.

iii. **Use of estimates and judgments**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 1. Statement of significant accounting policies

Judgements made by management in the application of AASBs that have significant effect on the consolidated financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 1bb.

iv. **Comparative figures**

Where required by AASBs comparative figures have been adjusted to conform with changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement or reclassifies items in its financial statements, an additional (third) statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

b. **Accounting Policies**

The Group has consistently applied the following accounting policies to all periods presented in the financial statements. The Group has considered the implications of new and amended Accounting Standards applicable for annual reporting periods beginning after 1 July 2021 but determined that their application to the financial statements is either not relevant or not material.

c. **Principles of consolidation**

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the Consolidated Group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

i. **Business combinations**

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group is exposed to variable returns from another entity and has the ability to affect those returns through its power over the entity.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquire; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

ii. **Subsidiaries**

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

A list of controlled entities is contained in Note 31 Controlled entities on page 69 of the financial statements.

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 1. Statement of significant accounting policies

iii. **Loss of control**

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, than such interest is measured at fair value at the date control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

iv. **Transactions eliminated on consolidation**

All intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

v. **Common Control**

For acquisitions occurring while under the Common control of the Company and for consolidation purposes, the assets and liabilities continue to reflect the carrying values in the accounting records of the consolidated group prior to the business combination occurring.

d. **Current and Non-Current classification**

The group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- A Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is:

- Expected to be settled in normal operating cycle;
- Held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The group classifies all other liabilities as non-current.

e. **Foreign currency transactions and balances**

i. **Functional and presentation currency**

The functional currency of the Group is measured using the currency of the primary economic environment in which that entity operates. The financial statements are presented in Australian dollars which is the Company's functional and presentation currency.

ii. **Transaction and balances**

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit or loss except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the gain or loss is directly recognised in other comprehensive income, otherwise the exchange difference is recognised in the profit or loss.

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 1. Statement of significant accounting policies

iii. **Group Companies**

On consolidation, the assets and liabilities of foreign operations are translated into Australian dollars at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation purposes are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

f. **Income tax**

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items recognised outside profit or loss.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at reporting date. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

Where temporary differences exist in relation to investments in subsidiaries, branches, associates, and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Video Games Tax Relief (VGTR) tax credits are included within current tax. They are only recognised when Directors believe that the tax credit will be recoverable. This is based upon the Company's experience of obtaining the required certification to facilitates its titles in development to qualify for VGTR and success of previous submitted claims. An estimate is made through the year and a tax receivable offset against the income tax liability recognised based on qualifying expenditure during the year.

g. **Plant and equipment**

i. **Recognition and measurement**

Items of plant and equipment are measured at cost less accumulated depreciation (see below) and impairment losses (see accounting policy 1q Impairment of non-financial assets).

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 1. Statement of significant accounting policies

The carrying amount of plant and equipment is reviewed annually by Directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

ii. **Depreciation**

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment, except to the extent that they are included in the carrying amount of another asset as an allocation of production overheads.

Depreciation rates and methods are reviewed annually for appropriateness. The depreciation rates used for the current and comparative period are:

	2022 %	2021 %
■ Software	20.00	20.00
■ Computer	20.00 to 33.33	20.00
■ Furniture and Fittings	20.00 to 33.33	20.00

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When re-valued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

h. **Goodwill**

Goodwill arising on an acquisition of a business is carried at cost as established at the date of the acquisition of the business (see Note 2) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (CGU) (or groups of CGUs) that is expected to benefit from the synergies of the combination.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less that its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the period of loss on disposal.

i. **Intangible assets**

Intangible assets acquired or developed internally are initially measured at cost.

The cost of an acquired intangible asset comprises its purchase price, import duties, and non-refundable purchase taxes, after deducting trade discounts and rebates, and any directly attributable cost of preparing the asset for its intended use.

Subsequent expenditure on intangible assets is capitalised only if it is probable that it will increase the future economic benefits associated with the specific asset. Other expenditure is recognised in profit or loss as incurred.

After initial recognition, intangible assets are measured at cost less accumulated amortisation and impairment losses, if any.

Intangible assets are amortised on a straight-line basis over their estimated useful lives, which do not exceed the contractual period, if any. The estimated useful lives, residual values, and amortisation methods are reviewed at each year end, and any changes in estimates are accounted for prospectively.

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 1. Statement of significant accounting policies

The estimated useful lives are as follows:

	2022
■ STS - Development app costs	8 years
STS - Customer relationships	14 years

j. **Digital assets**

During the period, the group held digital assets such as Tether (USDT), Ethereum (ETH), BNB, USD Coin (USDC) and other cryptocurrencies and crypto assets.

Management considers it appropriate to group its digital assets as a single balance in the consolidated financial statements and provide users with a reconciliation by category in the notes to the financial statements.

i. Inventory methodology

For digital assets that meet the criteria of AASB 102 Inventory, the Group measures certain digital assets at the lower of cost and net realizable value.

Digital assets are derecognised when the Group disposes of the asset or when the Group loses control and therefore, the economic benefits associated with the ownership of the digital assets

ii. Intangible assets methodology

Digital assets that do not meet the recognition criteria under the inventory or financial asset methodology, is considered to be intangible assets.

Under AASB 138 *Intangible Assets,* the group has applied the revaluation model, meeting the active market test, for its digital assets and recognise any increase in fair value in other comprehensive income credited to a revaluation reserve.

A decrease in fair value will be recognised in profit or loss to the extent that it offsets the existing surplus previously recognised the revaluation reserve.

Non-Fungible Tokens (NFTs) are originally recognised at cost and are reviewed for impairment.

Digital land holdings are originally recognised at cost, and are revalued based on active market and reviewed for impairment.

Digital assets are derecognised when the Group disposes of the asset or when the Group loses control and therefore, the economic benefits associated with the ownership of the digital assets.

k. **Development costs**

Development costs incurred are expensed through the profit and loss account. The directors have considered the difficulties in assessing the viability and success of each game that is being developed, and the level of returns that will be received. On this basis, the directors have taken the conservative view that the development costs do not meet the criteria outlined in AASB 138 Intangible Assets, and have not capitalised these costs in the statement of financial position.

l. **Employee benefits**

i. **Defined contribution superannuation funds**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions onto a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution superannuation funds are recognised as an expense in the income statement as incurred.

ii. **Short-term benefits**

Liabilities for employee benefits for wages, salaries and annual leave that are expected to be settled within 12 months of the reporting date represent present obligations resulting from employees' services provided to the reporting date and are calculated at undiscounted amounts based on remuneration wage and salary rates that the Group expects to pay at the reporting date including related on-costs, such as workers compensation insurance and payroll tax.

Non-accumulating non-monetary benefits, such as medical care, housing, cars and free or subsidised goods and services, are expensed based on the net marginal cost to the Group as the benefits are taken by the employees.

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 1. Statement of significant accounting policies

iii. **Other long-term benefits**

The Group's obligation in respect of long-term employee benefits other than definite benefit plans is the amount of future benefit that employees have earned in return for their service in the current and prior periods plus related on-costs; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the Reserve Bank of Australia's cash rate at the report date that have maturity dates approximating the terms of the Group's obligations. Any actuarial gains or losses are recognised in profit or loss in the period in which they arise.

m. **Leases**

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right of use asset and corresponding lease liability is recognised by the Group where the Group is a lessee. However all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determine, the Group uses the incremental borrowing rate.

Right of use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before commencement date as well as any initial direct costs. The subsequent measurement of the right of use assets is at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

n. **Value added taxes**

Value-added tax (VAT) is the generic term for the broad-based consumption taxes that the Group is exposed to such as:

- Australia (Goods and Services Tax or GST);
- Hong Kong (Value-added tax or VAT); and
- United Kingdom (Value-added tax or VAT).

hereafter collectively referred to as VAT.

Revenues, expenses, and assets are recognised net of the amount VAT, except where the amount of VAT incurred is not recoverable from the taxation authority. In these circumstances the VAT is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of VAT.

Cash flows are presented in the statement of cash flows on a gross basis, except for the VAT component of investing and financing activities, which are disclosed as operating cash flows.

o. **Financial instruments – assets**

a. **Classification**

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 1. Statement of significant accounting policies

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

b. **Recognition and derecognition**

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c. **Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

i. **Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.
- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- FVTPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at FVTPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

ii. **Equity instruments**

- The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.
- Changes in the fair value of financial assets at FVTPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 1. Statement of significant accounting policies

d. **Impairment**

The Group assesses on a forward-looking basis, the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

p. **Financial instruments - liabilities**

a. **Classification**

The Group classifies its financial liabilities in the following measurement categories:

- those to be measured subsequently at FVTPL, and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial liabilities and the contractual terms of the cash flows.

For financial liabilities measured at FVTPL, gains and losses, including any interest expenses will be recorded in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

For financial liabilities measured at amortised cost, the effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

b. **Recognition and derecognition**

Regular way purchases of financial liabilities are recognised on trade-date, the date on which the Group commits to purchase the financial liability. Financial liabilities are derecognised when the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liabilities derecognised and the consideration paid and payable is recognised in profit or loss.

c. **Measurement**

At initial recognition, the Group measures financial liabilities at its fair value plus, in the case of financial liabilities not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial liabilities. Transaction costs of financial liabilities carried at FVTPL are expensed in profit or loss.

q. **Impairment of non-financial assets**

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset Group that generates cash flows that largely are independent from other assets and Groups. Impairment losses are recognised in the income statement, unless the asset has previously been revalued, in which case the impairment loss is recognised as a reversal to the extent of that previous revaluation with any excess recognised through the income statement. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 1. Statement of significant accounting policies

r. **Provisions**

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will results and that outflow can be reliably measured.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, when appropriate, the risks specific to the liability.

s. **Share-based payments**

The Group proposes to secure shareholder approval for an employee share ownership scheme. On the issue of shares to employees, the share-based payments will be measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees will be measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options will be determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

Share-based compensation relating to share options are recognised at fair value. The fair value of the options is recognised as an employee benefit expense in the statement of profit or loss and other comprehensive income, with a corresponding increase in equity. The total amount to be expenses is determined by reference to the fair value of the options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are satisfied.

t. **Contributed equity**

Issued and paid up capital is recognised at the fair value of the consideration received by the Group. Any transactions costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the proceeds received.

u. **Government grants**

Government grants are recognised when there is a reasonable assurance that the grant will be received, and all attached conditions will be compiled with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the costs, which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

v. **Earnings per share**

i. **Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss after income tax attributable to equity holders of the Group, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial period, adjusted for bonus elements in ordinary shares issued during the period.

ii. **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 share and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

w. **Revenue from contracts with customers**

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled to in exchange for the goods or services.

The Group recognises revenue from the following major sources:

- Service revenues and fees;
- Sale of electronic equipment; and
- Sale of Non-Fungible Tokens (NFTs).

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 1. Statement of significant accounting policies

Revenue is recognised at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: 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.

DOSE token sales have been accounted for as unearned revenue until the performance obligations have been met. Refer to note 18(i) and note 19.

x. **Inventories**

Inventories are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

y. **Finance income and expenses**

The Group’s finance income and finance costs include interest income and interest expense.

Interest income or expense is recognised using the effective interest method.

All revenue is stated net of the amount of VAT or Sales taxes (note 1n).

z. **Segment reporting**

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group’s other components. All operating segments’ results are regularly reviewed by the Group’s Chief Executive Officer to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

aa. **Fair value measurements**

AASB 13: Fair Value Measurement requires the disclosure of fair value information by level of the fair value hierarchy, which categorises fair value measurements into one of three possible levels based on the lowest level that an input that is significant to the measurement can be categorised into as follows:

Level 1	Level 2	Level 3
Measurements based on quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.	Measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.	Measurements based on unobservable inputs for the asset or liability.

The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data. If all significant inputs required to measure fair value are observable, the asset or liability is included in Level 2. If one or more significant inputs are not based on observable market data, the asset or liability is included in Level 3.

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 1. Statement of significant accounting policies

Valuation Techniques

The Company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Company are consistent with one or more of the following valuation approaches:

- *Market approach* uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
- *Income approach* converts estimated future cash flows or income and expenses into a single discounted present value.
- *Cost approach* reflects the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Company gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The Group measures and recognises its assets at fair value on a recurring basis after initial recognition in accordance with note 1j Digital assets**.**

bb. **Critical Accounting Estimates and Judgments**

The Board discusses the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i. **Key Judgements – Deferred expenditure**

Research and development costs have been expensed through the Statement of Profit and Loss and Other Comprehensive Income. The board of directors exercised their judgement in determining that it was uncertain as to whether such expenditure met the criteria to capitalise the expenditure as set out in AASB 138 Intangible Assets.

ii. **Key Estimate – Taxation**

Balances disclosed in the financial statements and the notes thereto, related to taxation, are based on the best estimates of directors. These estimates take into account both the financial performance and position of the Group as they pertain to current income taxation legislation, and the directors understanding thereof.

No adjustment has been made for pending or future taxation legislation. The current income tax position represents tha directors' best estimate, pending an assessment by tax authorities in relevant jurisdictions. The board of directors hav considered it prudent not to raise any deferred tax assets at balance date as the board of directors do not believe it appropriate to regard realisation of the deferred tax assets as probable at this time.

iii. **Key Estimate - Impairment**

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined**.**

iv. **Key Estimate – Fair value of digital assets**

Digital assets are measured at fair value using the quoted price in United States dollars from resources including CoinMarketCap. Management considers this fair value to be a Level 1 input under AASB 13 *Fair Value Measurement* fair value hierarchy as the price on the quoted price (unadjusted) in an active market for identical assets. Management have assessed the size and liquidity of relevant exchanges, which the Group holds their digital assets on to determine if an active market exists.

Unlisted digital assets are fair valued using a combination of Level 2 and Level 3 techniques.

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 1. Statement of significant accounting policies

v. **Key Judgement – Digital assets**

The group has increased its digital assets significantly during the year ended 30 June 2022. Management notes that the accounting standards for digital assets are still in the process of being implemented into the International Accounting Standards Board (IASB) and continue to monitor new announcements released by the board.

cc. **New, revised or amending Accounting Standards and Interpretations adopted by the Group.**

A number of new standards, amendments to standards and interpretations issued by AASB which are not yet mandatorily applicable to the Company have not been applied in preparing these financial statements. The Company does not plan to adopt these standards early.

i. **Other standards not yet applicable**

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 2. Business Combinations

a. **Volution.fit**

On 3 December 2020, OliveX (UK) Limited acquired the business of Volution.Fit under an asset sale agreement. This transaction constitutes a business combination under AASB 3. Volution.Fit is a software business that develops end-to-end CRMs specifically for the fitness industry. The acquisition has complemented the Group's goal to improve the health and fitness of its users through its suite of technology products and software. The acquisition will fast track the development of OliveX's Kara Fitness platform.

i. Acquisition consideration

The consideration for the acquisition of Volution.Fit consisted of the cash consideration of GBP190,000 (AU$335,867).

ii. Goodwill

The identifiable net assets of the business acquired are remeasured at their fair value on the date of the acquisition (i.e. the date that control passes).

Goodwill is calculated as the difference between the fair value of consideration transferred less the fair value of the identified net assets of the business acquired.

Details of the transaction are as follows:

	Fair Value $
Fair value of consideration transferred:	
Cash consideration	335,867
	335,867
Fair value of identifiable assets and liabilities at acquisition date	
Provision for annual leave	(34,412)
Fair value of identifiable assets and liabilities assumed	(34,412)
Goodwill	370,279

iii. Revenue and loss contribution

The acquired business contributed revenues of $55,389 and net loss of $1,712,134 to the group for the period from 1 July 2021 to 30 June 2022.

iv. Impairment

During the financial year, the board assessed the value in use (VIU) of the Volution.Fit CGU and agreed to impair the goodwill amount to nil on the basis that the company was looking to divest the Volution.Fit business. The Company has taken steps to wind the Volution.Fit business after the year end.

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 2. Business Combinations (continued)

b. **Six to Start Limited**

On 2 July 2021, OliveX Holdings Limited acquired 100% of the ordinary share capital in Six to Start Limited.

i. Acquisition consideration

The total consideration payable to the shareholders of Six to Start (Sellers) for the acquisition was $10,611,959 (USD $7,925,000) comprising of cash consideration of $5,879,373 (USD 4,322,500), issued capital in OliveX valued at $3,066,136 (USD $2,327,500) and deferred consideration of $1,666,450 (USD 1,265,000). The deferred consideration comprises of a cash component and performance rights provided certain milestones are met. Under the share sale agreement, a working capital adjustment of $124,037 was owed by STS sellers to OliveX, which will be repaid upon receipt of 2021 VGTR claim.

Further details of the milestones are outlined in note 22. Tranche A to F performance rights.

ii. Goodwill

The identifiable net assets of the business acquired are remeasured at their fair value on the date of the acquisition (i.e. the date that control passes).

Goodwill is calculated as the difference between the fair value of consideration transferred less the fair value of the identified net assets of the business acquired.

Details of the transaction are as follows:

	Fair Value $
Fair value of consideration transferred:	
Cash and equity consideration	8,945,509
Deferred consideration	1,666,450
Working capital adjustment	(124,037)
	10,487,922

iii. Revenue and loss contribution

The acquired business contributed revenues of $1,924,788, and net loss of $1,043,413 to the group for the period from 1 July 2021 to 30 June 2022.

	Fair Value $
Fair value of identifiable assets and liabilities at acquisition date	
Cash and cash equivalents	350,052
Trade and other receivables	634,067
Plant and equipment	11,933
Intangible assets	10,033,854
Trade and other payables	(425,824)
Unearned revenue	(644,320)
Fair value of identifiable assets and liabilities assumed	9,959,762
Goodwill	528,160

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 2. Business Combinations (continued)

c. **SOL Cycling**

On 22 November 2021, OliveX Holdings Limited through its wholly-owned subsidiary OliveX (HK) Limited entered into an Asset Sale Agreement to acquire the gamified fitness platform Sol Cycle from Redline and a Software Development Agreement with Redline and Sol Cycle founder, Scott Williams for the purposes of continuing to develop the SOL software in line with the Company's strategy.

i. Acquisition consideration

The total consideration for the acquisition of SOL Cycling was $717,973, which consisted of the issue of 1,666,667 DOSE Tokens, at an issue price of US$0.03 per DOSE Token, subject to a 12-month escrow valued at $70,406, cash consideration of $105,610, royalty payment of $489,152 and deferred consideration $52,805.

The royalty payment was based on a payment of $0.22 per New Unique User capped at US$400,000 over a period of 5 years from the date of the Software Development Agreement payable to the seller. Management have assessed the NPV of the royalty to be $489,152.

Deferred consideration will be payable with 12 months subject to no breaches of warranties by the Seller.

ii. Goodwill

The identifiable net assets of the business acquired are remeasured at their fair value on the date of the acquisition (i.e. the date that control passes).

Goodwill is calculated as the difference between the fair value of consideration transferred less the fair value of the identified net assets of the business acquired.

Details of the transaction are as follows:

	Fair Value $
Fair value of consideration transferred:	
Cash Consideration	105,610
Consideration Tokens – DOSE Tokens	70,406
Royalty	489,152
Deferred Consideration	52,805
Total Initial Consideration	717,973
Fair value of identifiable assets and liabilities at acquisition date	
Intangible assets	717,973
Fair value of identifiable assets and liabilities assumed	-
Goodwill	-

Note 3. Auditor's remuneration

	2022 $	2021 $
Remuneration of the auditor of the OliveX Holdings Limited for:		
■ Auditing or reviewing the financial reports:		
☐ Moore Australia Audit (WA)	75,000	36,000
	75,000	36,000

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 4 Revenue

	2022 $	2021 $
a. Revenue – major product lines		
Services	166,252	62,589
Apps and games revenue	1,876,885	47,065
Mirror sales	179,020	534,202
NFTs	658,527	-
Development services revenue	102,171	-
	2,982,855	643,856
b. Timing of Revenue Recognition		
Goods transferred at a point in time	2,714,432	581,267
Services transferred over time	268,423	62,589
	2,982,855	643,856
c. Other income		
Interest income	13,537	10,334
Government subsidy	13,027	82,493
Other income	26,466	9,622
	53,030	102,449

Note 5 Loss before income tax

	2022 $	2021 $
a. Depreciation and amortisation		
Depreciation	37,537	15,253
Amortisation	1,827,103	-
	1,864,640	15,253
b. Employment costs		
Salary and wages	3,776,292	1,251,473
MPF/Superannuation/NIC/Pensions	287,269	80,150
Director Fees	184,548	268,750
Other	11,540	46,922
	4,259,650	1,647,295
c. Finance costs		
Interest expense	117	49,720
	117	49,720
d. Impairment of assets		
Impairment of assets	472,646	-
	472,646	-

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 6 Income tax

	2022 $	2021 $
a. **Income tax expense / (benefit)**		
Current tax	(454,805)	-
Deferred tax	-	-
	(454,805)	-
Deferred income tax expense included in income tax expense comprises:		
■ Increase / (decrease) in deferred tax assets	-	-
■ (Increase) / decrease in deferred tax liabilities	-	-
	-	-
b. **Reconciliation of income tax expense to prima facie tax payable**		
The prima facie tax payable / (benefit) on loss from ordinary activities before income tax is reconciled to the income tax expense as follows:		
Prima facie tax on operating loss at 30% (2021: 30%)	(3,918,895)	(2,272,610)
Add / (Less) tax effect of:		
■ Shares based payments	52,493	1,075,849
■ Foreign Exchange	-	(60,934)
■ International Tax Rate Difference	1,774,146	264,491
■ Deferred tax asset not brought to account	1,620,481	993,204
■ Other	16,970	-
Income tax expense / (benefit)	(454,805)	-
c. **Deferred tax assets**		
Tax losses	3,599,489	1,559,576
Provisions and accruals	6,900	27,181
Other	162,921	25,089
Deferred tax assets	3,769,310	1,611,846
Set-off deferred tax liabilities	(4,343)	(15,076)
Deferred tax assets	3,764,967	1,596,770
Less: Deferred tax assets not recognised	(3,764,967)	(1,596,770)
Net deferred tax assets	-	-
d. **Deferred tax liabilities**		
Prepayments	4,343	15,076
Set-off deferred tax assets	(4,343)	(15,076)
Net deferred tax liabilities	-	-

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 7 Earnings per share (EPS)

	2022 $	2021 $
a. Reconciliation of earnings to profit or loss		
Loss for the period	(12,608,178)	(7,575,365)
Loss used in the calculation of basic and diluted EPS	(12,608,178)	(7,575,365)

	2022 No.	2021 No.
b. Weighted average number of ordinary shares outstanding during the period used in calculation of basic EPS	88,959,809	37,513,729
c. Weighted average number of ordinary shares outstanding during the period used in calculation of diluted EPS	88,959,809	37,513,729

	2022 $	2021 $
d. Earnings per share		
Basic EPS (cents)	(14.17)	(20.19)
Diluted EPS (cents)	(14.17)	(20.19)

Share options are considered to be potential ordinary shares but were anti-dilutive in nature for the 30 June 2022 financial year and were not included in the calculations of diluted earnings per share. These options could potentially dilute basic earnings per share in the future.

Note 8 Cash and cash equivalents

	2022 $	2021 $
a. **Current**		
Cash at bank	1,955,900	3,212,766
Guarantees (note 30(c))	1,631,679	-
Cash held on exchanges	4,352,446	-
	7,940,025	3,212,766
b. **Reconciliation of cash**		
Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:		
■ Cash and cash equivalents	7,940,025	3,212,766
	7,940,025	3,212,766

The Company's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in note 29 Financial Risk Management.

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 8 Cash and cash equivalents (continued)

	2022 $	2021 $
c. **Reconciliation of cash flow from operations to profit/(loss) after income tax**		
Loss after income tax	(12,608,178)	(7,575,365)
Non-cash flows in (loss)/profit from ordinary activities:		
■ Depreciation and amortisation	1,864,640	15,253
■ Finance costs	-	49,720
■ Exchange fluctuations	(52,863)	158,956
■ Impairment	472,646	-
■ Share based payments	174,977	4,132,626
■ Interest received	-	(10,329)
■ Fair value revaluation losses	2,607,942	-
Changes *in assets and liabilities, net of the effects of purchase and disposal of subsidiaries:*		
■ Decease/(increase) in receivables and other receivables	(1,238,819)	(229,833)
■ Decrease/(increase) in inventories	245,751	(304,096)
■ Decrease/(increase) in other current assets	(1,195,241)	37,450
■ (Decrease)/increase in trade and other payables	(421,532)	781,383
■ (Decrease)/increase in provisions	27,499	55,701
■ (Decrease)/increase in deferred consideration	1,555,082	-
■ (Decrease)/increase in unearned revenue	(386,483)	-
■ (Decrease)/increase in other	140,196	-
Cash flow (used in) operations	(8,814,383)	(2,888,534)
d. Reconciliation of cash flow from financing activities		
(i) *Other financial liabilities*		
Opening balance	-	1,849,689
Cash inflows/(outflows)	-	-
Other financial liabilities	-	-
Finance costs	-	43,724
FX changes	-	-
Transfer to equity	-	(1,893,413)
Closing balance	-	-

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 8 Cash and cash equivalents (continued)

		2022 $	2021 $
(ii)	*Insurance Premium Funding*		
	Opening balance	29,343	-
	Cash inflows/(outflows)	(29,343)	29,343
	Closing balance	-	29,343
(iii)	*Total changes in liabilities from financing activities*		
	Opening balance	29,343	1,849,689
	Cash inflows/(outflows)	(29,343)	29,343
	Other financial liabilities	-	-
	Finance costs	-	43,724
	FX changes	-	-
	Transfer to equity	-	(1,893,413)
	Closing balance	-	29,343

Note 9 Trade and Other Receivables

	Note	2022 $	2021 $
Trade receivables		148,870	277,327
Less: Allowance for expected credit losses	(i)	(7,486)	(10,601)
GST/VAT receivable		50,268	87,737
Loan – Miro AI	(ii)	-	143,707
Loan – Alameda	(iii)	835,792	-
Other receivables		271,756	-
Video Games Tax Credit		437,789	-
		1,736,989	498,170

(i) All the Company's trade and other receivables have been reviewed for indicators of impairment. Certain trade receivables were found to be impaired and an allowance for credit losses of $7,486 (2021: $10,601) has been recorded accordingly within Service revenue.

(ii) On 9 November 2021, the Company entered into an unsecured loan agreement with Gum Agency USA LLC known as "Miro AI" for US$100,000. During the financial period, the outstanding loan and interest have been repaid in full.

(iii) During the financial period, the Company loaned 35 million Dose tokens to Alameda for the purposes of token exchange liquidity services.

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 10 Inventories

	2022 $	2021 $
Mirrors	-	315,406
Merchandise	69,655	-
	69,655	315,406

Note 11 Other financial assets

	Note	2022 $	2021 $
Convertible Security		-	145,709
Provision for Impairment	(i)	-	(145,709)
		-	-
(i) Provision for impairment			
Balance at beginning of the year		-	145,709
Write off convertible security		-	-
Balance at end of year		-	145,709

In the prior year, the Company entered into a convertible security agreement with actiMirror Corporaton, an entity incorprated under the laws and regulations of Hong Kong Special Adminsitrative Region Limited, the supplier of mirrors to the Company on 9 July 2019.

The asset was fully impaired at 30 June 2021.

Note 12 Other current assets

	2022 $	2021 $
Prepayments	1,264,048	86,353
Rental Deposit	21,325	3,778
	1,285,373	90,131

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 13 Plant and equipment

	2022 $	2021 $
Office Equipment	68,712	-
Accumulated depreciation	(31,587)	-
	37,125	-
Furniture and Fittings	28,310	10,444
Accumulated depreciation	(9,340)	(1,738)
	18,970	8,706
Software	29,081	27,165
Accumulated depreciation	(12,602)	(6,339)
	16,479	20,826
Computer equipment	107,834	56,609
Accumulated depreciation	(26,630)	(9,574)
	81,204	47,035
Total plant and equipment	153,778	76,567

a. Movements in Carrying Amounts

2022	Furniture and fittings $	Software $	Computer & office equipment $	Total $
Carrying amount at the beginning of the period	8,706	20,826	47,035	76,567
Additions	13,678	-	90,290	103,968
Additions from STS acquisition	919	-	5,876	6,794
Depreciation expense	(3,886)	(5,551)	(28,101)	(37,537)
Foreign currency exchange differences	(447)	1,204	3,229	3,986
Carrying amount at the end of year	**18,970**	**16,479**	**118,329**	**153,778**

2021	Furniture and fittings $	Software $	Computer & office equipment $	Total $
Carrying amount at the beginning of the period	-	28,571	8,387	36,958
Additions	10,756	-	48,067	58,823
Depreciation expense	(1,792)	(5,613)	(7,848)	(15,253)
Foreign currency exchange differences	(258)	(2,132)	(1,571)	(3,961)
Carrying amount at the end of year	8,706	20,826	47,035	75,567

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 14 Intangible Assets

	2022 $	2021 $
Goodwill	897,525	377,606
Accumulated impairment losses	(369,365)	-
	528,160	377,606
Intangible (i)	10,797,312	-
Accumulated amortisation and impairment losses	(1,769,706)	-
	9,027,606	-
	9,555,766	377,606

(i) Intangible assets acquired during the year related to the acquisition of STS for app development costs, customer relationship and trademarks totalling $10,033,854 and Sol Cycling totalling $717,973.

a. Movements in Carrying Amounts

2022	Goodwill $	Intangibles $	Total $
Carrying amount at the beginning of the period	377,606	-	377,606
Additions	528,160	10,742,624	11,270,784
Disposals / write-offs	(383,991)	-	(383,991)
Depreciation expense	-	(1,827,103)	(1,827,103)
Foreign currency exchange differences	6,385	112,085	118,470
Carrying amount at the end of year	528,160	9,027,606	9,555,766

b. **Allocation of goodwill to cash-generating units (CGU)**

Goodwill has been allocated for impairment testing purposes to the Volution.Fit unit being OliveX (UK) Limited. Before recognition of impairment losses, the carrying amount of goodwill (other than goodwill relating to discontinued operations) was allocated to CGU as follows.

	2022 $	2021 $
■ Volution.Fit	-	377,606

The recoverable amount of the Group's Volution.Fit CGU has been determined based on 3 December 2021 value as part of the business combination accounting. Goodwill on the CGU has therefore been tested against the fair value less cost to sell basis on 30 June 2022.

During the financial year, the Board assets the value in use (VIU) of Volution.Fit CGU and agreed to impair the goodwill amount to nil, on the basis the Company was looking to divest the Volution.Fit business. The Company has taken steps to wind the Volution.Fit business after the year end.

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 14 Intangible Assets (continued)

c. **Allocation of goodwill to cash-generating units (CGU)**

Goodwill has been allocated for impairment testing purposes to Six to Start. Before recognition of impairment losses, the carrying amount of goodwill (other than goodwill relating to discontinued operations) was allocated to CGU as follows.

	2022 $	2021 $
■ Six to Start	528,160	-

The recoverable amount of the Group's Six to Start CGU has been determined based on 2 July 2021 value as part of the business combination accounting outlined in note 2b. Goodwill on the CGU has therefore been tested against the fair value less cost to sell basis on 30 June 2022. The valuation has also been reviewed based on the forecast revenue streams of the CGU. No impairment of goodwill was required.

Note 15. Digital Assets	**Note**	2022 $	2021 $
Listed digital assets	(i)	5,312,746	54,688
Digital Land	(ii)	451,338	-
NFTs	(iii)	233,122	-
		5,997,206	54,688
a) Reconciliation by holding			
OliveX wallets		3,334,529	-
Third-party custodian		2,662,677	54,688
		5,997,206	54,688

(i) Listed digital assets includes cryptocurrencies and crypto assets which are listed on an exchange.

(ii) OLX's digital land holdings in The Sandbox, initially valued at cost and revalued at market value.

(iii) NFTs purchased and held by OLX, initially valued at cost and reviewed for impairment.

(iv) During the financial year, the Group launched its DOSE token, an ERC-20 Fungible Token of purchase utility and action in the various apps and games operated by the Group.

The total supply of DOSE has been set at 5,000,000,000 tokens with an initial price of USD 0.03 per token which as at the date of this report, a total of 296,831,879 was in circulation in the market through private and public sales. As at 30 June 2022 the price of a DOSE was USD 0.0164 per CoinMarketCap.

The balance of tokens not yet issued are to be used in future private sales, game play rewards and company reserves which have not been granted yet.

These tokens are recognised under AASB 102 *Inventory* and are recognised at the lower of cost and net realisable value. Based on the Group's assessment that the total cost to create the DOSE token is minimal, no amounts have been recognised in the consolidated financial statements. Refer to Note 18 for DOSE token payable.

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 15. Digital Assets (continued)

b) Digital assets by fair value hierarchy as at 30 June 2022

	Level 1 $	Level 2 $	Level 3 $
Digital assets			
Listed digital assets	5,312,746	-	-
Non-listed digital assets	-	684,460	-
	5,312,746	684,460	-

Note 16 Other non-current assets

	Note	2022 $	2021 $
Funds held on Trust – Six to Start Limited	(i)	-	5,446,504
Other non-current assets		50,677	-
		50,677	5,446,504

(i) Funds transferred to the lawyers to be held on trust for the cash consideration payable as part of the Six to Start Limited acquisition. Cash consideration payable to the Sellers of Six to Start occurred on 2 July 2021.

Note 17 Trade and other payables

	Note	2022 $	2021 $
Trade payables	(i)	318,605	925,246
Accrued expenses		411,970	190,622
Insurance Premium Funding		-	29,343
Other payables		352,188	359,084
		1,082,763	1,504,295

(i) Trade payables are non-interest bearing and usually settled within the lower of terms of trade or 30 days.

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 18. DOSE Token Payable	**Note**	2022 $	2021 $
DOSE token payable	(i)	14,785,665	-
		14,785,665	-

(i) The utility of the DOSE tokens will be used in NFT sales, entry fees for special limited time events, upgrades and unlocks in the games and seasonal subscriptions for access to additional rewards. Dustland Runner launched on 25 March 2022 and has generated NFT sales of USD$477,959. The company will continue to develop the Dustland Runner system in conjunction with the DOSE ecosystem.

The proceeds from the DOSE tokens are accounted as unearned revenue (DOSE token payable) until the performance obligations have been met i.e. when sufficient utility by the DOSE token ecosystem has been developed. Refer to note 15(iv) for further details.

Note 19. Unearned Revenue	**Note**	2022 $	2021 $
Provision for unearned revenue		386,483	-
		386,483	-

Note 20. Deferred Consideration	**Note**	2022 $	2021 $
Deferred consideration	(i)	1,555,082	-
		1,555,082	-

(i) Deferred consideration relates to the acquisition of STS for $999,870 and SOL Cycling for $530,212. Further details of the deferrd consideration are outlined in notes 2(b) and 2(c).

Note 21 Provisions

	2022 $	2021 $
Provision for annual leave	91,422	63,923
	91,422	63,923

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 22 Issued equity

	30 Jun 22 No.	30 Jun 21 No.	30 Jun 22 $	30 Jun 21 $
Fully paid ordinary shares at no par value	95,313,179	53,403,693	31,834,583	17,944,144
a. Ordinary shares				
At the beginning of the period	53,403,693	1,561,000	17,944,144	271,599
Balance before reverse acquisition	53,403,693	1,561,000	17,944,144	271,599
Shares issued during the year:				
■ Shares issued for acquisition of STS	3,832,670	-	3,066,136	-
■ Issue of shares	15,000	-	15,000	-
■ Conversion of performance rights	30,000,000	-	2,952,580	-
■ Shares issued to shareholders	8,000,000	-	8,000,000	-
■ Shares issued for settlement of services	13,066	-	18,186	-
■ Conversion of performance rights	48,750	-	80,438	-
■ Elimination of OliveX (HK) Limited shares	-	(1,560,000)	-	(270,599)
■ Shares issued as part of share swap	-	13,649,000	-	2,729,800
■ Shares issued to SAFE Noteholders	-	9,909,996	-	2,296,194
■ Shares issued to Convertible Noteholders	-	2,500,000	-	500,000
■ Issue of Prospectus shares	-	10,909,935	-	2,181,987
■ Issue of Placement shares	-	14,480,895	-	10,292,176
■ Shares issued to Directors	-	1,401,557	-	305,945
■ Shares issued to consultants and employees	-	551,310	-	214,538
Transaction costs relating to share issues	-	-	(241,901)	(577,496)
At reporting date	95,313,179	53,403,693	31,834,583	17,944,144

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 22 Issued equity (continued)

b. Options	30 Jun 22 No.	30 Jun 21 No.	30 Jun 22 $	30 Jun 21 $
Options	6,770,200	7,080,200	684,354	659,562
At the beginning of the period	7,080,200	-	659,562	-
Options issued/(lapsed) during the year:	(310,000)		-	
Options exercisable at $0.20 each expiring 24.8.2023	-	1,090,000	-	104,377
Options exercisable at $0.20 each expiring 24.8.2024	-	1,060,000	24,792	100,314
Options exercisable at $0.20 each expiring 24.8.2025	-	1,060,000	-	54,854
Options exercisable at $0.20 each expiring 24.8.2023	-	3,800,000	-	374,039
Options exercisable at $0.20 each expiring 24.8.2023	-	50,200	-	9,944
Options exercisable at $0.20 each expiring 15.2.2024	-	50,000	-	16,034
Options lapsed - Options exercisable at $0.20 each expiring 24.8.2023	-	(30,000)	-	-
At reporting date	6,770,200	7,080,200	684,354	659,562

Refer to note 25 Share-based payments for further details on terms and conditions.

c. Performance Rights	30 Jun 22 No.	30 Jun 21 No.	30 Jun 22 $	30 Jun 21 $
Performance Rights	2,366,468	30,000,000	726,117	-
At the beginning of the period	30,000,000	-	2,952,580	-
Performance rights issued to founders	-	20,000,000	-	1,968,387
Performance rights issued to convertible noteholders	-	10,000,000	-	984,193
Issue of Performance rights for STS Acquisition	1,877,242	-	666,580	-
Issue of Performance rights to Consultants	65,000	-	103,210	-
Performance rights issued to MD	472,976	-	36,765	-
Conversion of Performance rights	(30,048,750)	-	(3,033,018)	-
At reporting date	2,366,468	30,000,000	726,117	2,952,580

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 22 Issued equity (continued)

The Company has 2,366,468 Performance Rights on issue, with the following milestones:

Milestone
32,500 Class A Performance Rights: ▪ 100% of the Class A Performance Rights will vest after a period of 6 months ▪ On achievement of the milestone a Class A Performance Right converts into one Ordinary Share.
16,250 Class B Performance Rights: ▪ 100% of the Class B Performance Rights will vest after a period of 9 months ▪ On achievement of the milestone a Class B Performance Right converts into one Ordinary Share.
16,250 Class C Performance Rights: ▪ 100% of the Class C Performance Rights will vest after a period of 12 months ▪ On achievement of the milestone a Class C Performance Right converts into one Ordinary Share.

During the financial year, 32,500 Class A and 16,250 Class B Performance rights vested and were converted to Ordinary Shares.

On 2 July 2021, the Company successfully completed the acquisition of Six to Start Limited and issued the following Performance Rights:

Milestone
210,779 Tranche A Performance Rights: ▪ Six to Start achieves Audited Aggregate EBITDA of US$600,000 after the Completion Date. ▪ On achievement of the milestone a Tranche A Performance Right converts into one Ordinary Share.
316,168 Tranche B Performance Rights: ▪ Six to Start achieves Audited Aggregate EBITDA of US$750,000 after the Completion Date. ▪ On achievement of the milestone a Tranche B Performance Right converts into one Ordinary Share.
237,126 Tranche C Performance Rights: ▪ Six to Start achieves Audited Aggregate EBITDA of US$1,250,000 after the Completion Date. ▪ On achievement of the milestone a Tranche C Performance Right converts into one Ordinary Share.
355,688 Tranche D Performance Rights: ▪ Six to Start achieves Audited Aggregate EBITDA of US$1,500,000 after the Completion Date. ▪ On achievement of the milestone a Tranche D Performance Right converts into one Ordinary Share.
302,993 Tranche E Performance Rights: ▪ Six to Start achieves Audited Aggregate EBITDA of US$2,000,000 after the Completion Date. ▪ On achievement of the milestone a Tranche E Performance Right converts into one Ordinary Share.
454,488 Tranche F Performance Rights: ▪ Six to Start achieves Audited Aggregate EBITDA of US$2,500,000 after the Completion Date. ▪ On achievement of the milestone a Tranche F Performance Right converts into one Ordinary Share.

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 22 Issued equity (continued)

During the financial year, the Company issued 472,976 MD Performance Rights, with the following milestones:

Milestone
67,568 Tranche 1 MD Performance Rights: ▪ The Company achieves Audited Aggregate EBITDA of US$1,500,000 after the Completion Date. ▪ On achievement of the milestone a Tranche 1 Performance Right converts into one Ordinary Share.
67,568 Tranche 2 MD Performance Rights: ▪ The Company achieves Audited Aggregate EBITDA of US$2,000,000 after the Completion Date. ▪ On achievement of the milestone a Tranche 2 Performance Right converts into one Ordinary Share.
67,568 Tranche 3 MD Performance Rights: ▪ The Company achieves Audited Aggregate EBITDA of US$2,500,000 after the Completion Date. ▪ On achievement of the milestone a Tranche 3 Performance Right converts into one Ordinary Share.
67,568 Tranche 4 MD Performance Rights: ▪ The Company achieves Audited Aggregate EBITDA of US$3,000,000 after the Completion Date. ▪ On achievement of the milestone a Tranche 4 Performance Right converts into one Ordinary Share.
67,568 Tranche 5 MD Performance Rights: ▪ The Company achieves Audited Aggregate EBITDA of US$3,500,000 after the Completion Date. ▪ On achievement of the milestone a Tranche 5 Performance Right converts into one Ordinary Share.
67,568 Tranche 6 MD Performance Rights: ▪ The Company achieves Audited Aggregate EBITDA of US$4,000,000 after the Completion Date. ▪ On achievement of the milestone a Tranche 6 Performance Right converts into one Ordinary Share.
67,568 Tranche 7 MD Performance Rights: ▪ The Company achieves Audited Aggregate EBITDA of US$4,500,000 after the Completion Date. ▪ On achievement of the milestone a Tranche 7 Performance Right converts into one Ordinary Share.

d. Capital Management

The Directors' objectives when managing capital are to ensure that the Company can maintain a capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the availability of liquid funds in order to meet its short-term commitments.

The focus of the Company's capital risk management is the current working capital position against the requirements of the Company in respect to its operations, software developments programmes, and corporate overheads. The Company's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required.

The working capital position of the Company were as follows:

	Note	2022 $	2021 $
Cash and cash equivalents	8	7,940,025	3,212,766
Trade and other receivables	9	1,736,989	498,170
Inventory	10	69,655	315,406
Other current assets	12	1,285,373	90,131
Trade and other payables	17	(1,082,763)	(1,504,295)
DOSE token payable	18	(14,785,665)	-
Provisions	21	(91,422)	(63,923)
Unearned revenue	19	(386,483)	-
Working capital position		(5,314,292)	2,548,256

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 23 Other equity

	2022 No.	2021 No.	2022 $	2021 $
At the beginning of the period	-	-	-	500,000
■ Conversion of convertible notes to ordinary shares	-	-	-	(500,000)
At reporting date	-	-	-	-

During or around March 2019, the Company entered into convertible note terms sheets with various professional and sophisticated investors (Noteholders) pursuant to which the Company issued convertible notes with a face value $1.00 each to raise an aggregate of $500,000 (Convertible Notes).

The Convertible Notes are interest free. The Convertible Notes automatically converted into fully paid ordinary shares in the capital of the Company upon the Company issuing Shares to the public under an initial public offer on the National Stock Exchange before the Maturity Date (Conversion Event).

On 12 August 2020, the convertible notes converted to 2,500,000 ordinary shares as part of the restructure before the listing on the NSX on 24 August 2020.

Note 24 Reserves

	2022 $	2021 $
Foreign currency translation reserve	(65,041)	154,599
Common control reserve	(2,391,551)	(2,391,551)
Performance rights reserve	726,117	2,952,580
Option reserve	684,354	659,562
Revaluation reserve	1,523,484	-
	477,363	1,375,190

Note 25 Share-based payments

	2022 $	2021 $
Share-based payment expense	174,977	3,602,199
Gross share-based payments	174,977	3,602,199

a. Share-based payment arrangements in effect during the year

i. **Performance Rights**

In consideration for the provision of the Services, the Company agrees to pay LCP $4,500 (plus GST) per month for the provision of Company Secretarial (Services Fees). Issue 65,000 Performance Rights to LCP Corporate Pty Ltd which at 6 months vesting at 50% and at 9 months vesting 25% and at 12 months vesting at 25%.

Number of Performance Rights	Date of Expiry	Milestone	Vesting Terms
32,500	24 February 2022	N/A	6 months vesting date
16,250	24 May 2022	N/A	9 months vesting date
16,250	24 August 2022	N/A	12 months vesting date

During the financial year, 48,750 Performance Rights granted to LCP had vested and were converted to ordinary shares.

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 25 Share-based payments (continued)

The Company agreed to grant Mr Rumjahn 472,976 Performance Rights as a performance incentive under the following conditions:

Number of Performance Rights	Date of Expiry	Milestone	Vesting Terms
67,568	24 May 2025	EBITDA US$1,500,000	N/A
67,568	24 May 2025	EBITDA US$2,000,000	N/A
67,568	24 May 2025	EBITDA US$2,500,000	N/A
67,568	24 May 2025	EBITDA US$3,000,000	N/A
67,568	24 May 2025	EBITDA US$3,500,000	N/A
67,568	24 May 2025	EBITDA US$4,000,000	N/A
67,568	24 May 2025	EBITDA US$4,500,000	N/A

The EBITDA targets are cumulative and based on audited EBITDA figures of the Company reported in its annual reports and must be achieved by 31 December 2024.

ii. **Fair value of performance rights granted during the period**

The fair value of the performance rights granted is deemed to represent the value of the services received over the vesting period.

These values were calculated using the Black-Scholes option pricing model, applying the following inputs to performance rights issued this year:

Grant date:	2 Dec 2021	2 Dec 2021	2 Dec 2021
Grant date share price:	$1.65	$1.65	$1.65
Share price target:	N/A	N/A	N/A
Number of performance rights issued:	32,500	16,250	16,250
Expiry Date	24 Feb 2022	24 May 2022	24 Aug 2022
Expected share price volatility:	76%	76%	76%
Risk-free interest rate:	0.57%	0.57%	0.57%
Value per option	$1.65	$1.65	$1.65

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements.

iii. **Fair value of performance rights granted during the period**

The fair value of the MD performance rights granted are deemed to represent the value of the services received over the vesting period.

These values were calculated using the Barrier option pricing model and are valued at $2.00 per performance right, for a total value of $945,952 (using inputs of share price volatility of 100% and a risk free rate of 2.89%).

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 26 Key Management Personnel (KMP)

The names and positions of KMP are as follows:

- Keith Rumjahn
- Yat Siu
- Sonny Vu
- David Do *(appointed 24 August 2021)*
- Maja McGuire *(appointed 24 August 2021)*
- Karen Contet *(resigned 10 June 2022)*
- John Bell *(resigned 24 August 2021)*
- Xavier Kris *(resigned 24 August 2021)*

a. Key management personnel compensation included in employment costs are as follows:

	2022 $	2021 $
Short-term employee benefits	340,856	313,341
Post-employment benefits	-	-
Share-based payments	36,765	445,451
	377,621	758,792

The detailed remunerations disclosures are disclosed in full in the remuneration report on pages 13 to 20.

Note 27 Other related party transactions

The following parties are classified by the board of director as related parties:

- Animoca Brands Limited

  Animoca Brands Limited, an entity of which Mr Yat Siu is a director, owns 33.68% of the shares on issue in the Company.

- XJRK Management Group Pty Ltd

  The Company had entered into a consulting agreement with XJRK Management Group Pty Ltd (XJRK), an entity controlled by Mr Kris. The engagement commenced on execution of the agreement and continues for a minimum term of nine months until the engagement is validly terminated in accordance with terms of the service agreement. XJRK has been engaged to provide various corporate consulting services to the Company including, but not limited to, developing corporate, business, marketing and operation plans and facilitating opportunities for business growth and expansion (Consultancy Services).

- Hall Chadwick Corporate Pty Ltd

  The Company had entered into an engagement letter with Hall Chadwick Corporate Pty Ltd, an entity of which Mr John Bell was a director, for the provision of virtual CFO and company secretarial services to Company.

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 27 Other related party transactions (continued)

	2022 $	2021 $
The following transaction occurred with related parties:		
Transactions with other related parties		
Sale and purchase of goods and services		
Sale of various goods and services to Animoca Brands Limited	-	-
Purchase of various goods and services from Animoca Brands Limited	16,109	18,495
Purchase of various goods and services from XJRK Management Group Pty Ltd	108,428	242,400
Purchase of various goods and services from Hall Chadwick Corporate Pty Ltd	267,859	301,397
Outstanding balances arising from sales/purchases of goods and services		
The following balances are outstanding at the end of the financial period in relation to transaction with related parties:		
Current Trade Payables		
Hall Chadwick Corporate Pty Ltd	-	34,210
Animoca Brands Limited	12,409	-
Current Accrued Expenses		
XJRK Management Group Pty Ltd	-	49,095
Hall Chadwick Corporate Pty Ltd	-	19,250
Sonny Vu	-	12,500
Karen Contet	-	4,346

Notes to the consolidated financial statements

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Note 28 Operating Segment

Identification of reportable segments

The Group operates predominantly in the development of technology for the health and fitness industry.

The Group has identified its operating segments based on the internal reports that are provided to the Board on a monthly basis that are used in determining the allocation of resources across the Group. Management has identified the group has three reporting segments.

Unless stated otherwise, all amounts reported to the Board of directors as the chief operating decision maker is in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Year ended 30 June 2022	Hong Kong $	Australia $	United Kingdom $	Other $	Total $
Revenue					
Revenue	255,005	-	1,967,151	760,699	2,982,855
Total Segment Revenue	255,005	-	1,967,151	760,699	2,982,855
Segment net profit / (loss) from continuing operations before tax	115,973	(19,600)	766,418	760,699	1,623,490
Reconciliation of segment profit / (loss) to group profit / (loss):					
Amounts not included in segment results but reviewed by the board:					
Other income					53,030
Consulting					(2,613,267)
Employee benefits					(4,259,650)
Exchange fluctuations					52,863
Finance costs					(117)
Marketing					(568,771)
Office costs					(417,826)
Share-based payments					(174,977)
Impairment					(472,646)
Fair value revaluation losses					(2,607,942)
Depreciation & amortisation					(1,864,640)
Other expenses					(1,812,530)
Net (loss)/profit for the year					(13,062,983)
Segment Assets	861,283	23,729,517	1,069,223	10,608,032	36,268,055
Reconciliation of segment assets to group assets:					
Unallocated assets					(9,478,586)
Total Assets					26,789,469
Segment Liabilities	7,048,185	1,386,270	4,087,634	13,338,239	25,860,328
Reconciliation of segment liabilities to group liabilities:					
Unallocated liabilities					(7,958,913)
Total Liabilities					17,901,415

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for the year ended 30 June 2022

Note 28 Operating Segment (continued)

Year ended 30 June 2021	Hong Kong $	Australia $	United Kingdom $	Other $	Total $
Revenue					
Revenue	581,267	-	62,589	-	643,856
Total Segment Revenue	581,267	-	62,589	-	643,856
Segment net profit / (loss) from continuing operations before tax	(1,538,137)	(310,227)	(516,741)	203,113	(2,161,992)
Reconciliation of segment profit / (loss) to group profit / (loss):					
Amounts not included in segment results but reviewed by the board:					
Other income					10,329
Consulting					(1,334,369)
Employee benefits					(268,750)
Exchange fluctuations					(8,009)
Finance costs					(5,790)
Marketing					(6,445)
Office costs					(11,568)
Share-based payments					(3,586,165)
Other expenses					(202,606)
Net (loss)/profit for the year					(7,575,365)
Segment Assets	751,382	26,150	117,998	-	895,530
Reconciliation of segment assets to group assets:					
Unallocated assets					9,176,308
Total Assets					10,071,838
Segment Liabilities	623,724	42,492	85,601	-	751,817
Reconciliation of segment liabilities to group liabilities:					
Unallocated liabilities					816,401
Total Liabilities					1,568,218

Note 29 Financial Risk Management

a. Financial Risk Management Policies

This note presents information about the Company's exposure to each of the above risks, its objectives, policies and procedures for measuring and managing risk, and the management of capital.

The Company's financial instruments consist mainly of deposits with banks, short-term investments, and accounts payable and receivable.

The Company does not speculate in the trading of derivative instruments.

A summary of the Company's Financial Assets and Liabilities is shown below:

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 29 Financial Risk Management (continued)

	Floating Interest Rate $	Fixed Interest Rate $	Non-interest Bearing $	2022 Total $	Floating Interest Rate $	Fixed Interest Rate $	Non-interest Bearing $	2021 Total $
Financial Assets								
■ Cash and cash equivalents	6,308,346	1,631,679	-	7,940,025	3,212,766	-	-	3,212,766
■ Other receivables	-	-	1,736,989	1,736,989	-	-	498,170	498,170
Total Financial Assets	6,308,346	1,631,679	1,736,989	9,677,014	3,212,766	-	498,170	3,710,936
Financial Liabilities								
Financial liabilities at amortised cost								
■ Trade and other payables	-	-	1,082,763	1,082,763	-	-	1,504,295	1,504,295
Total Financial Liabilities	-	-	1,082,763	1,082,763	-	-	1,504,295	1,504,295
Net Financial Assets/(Liabilities)	6,308,346	1,631,679	654,227	8,594,251	3,212,766	-	(1,006,125)	2,206,641

b. Specific Financial Risk Exposures and Management

The main risk the Company is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate, foreign currency risk, equity price risk and management of digital assets risk.

The Board of directors has overall responsibility for the establishment and oversight of the risk management framework. The Board adopts practices designed to identify significant areas of business risk and to effectively manage those risks in accordance with the Company's risk profile. This includes assessing, monitoring and managing risks for the Company and setting appropriate risk limits and controls. The Company is not of a size nor is its affairs of such complexity to justify the establishment of a formal system for risk management and associated controls. Instead, the Board approves all expenditure, is intimately acquainted with all operations and discuss all relevant issues at the Board meetings. The operational and other compliance risk management have also been assessed and found to be operating efficiently and effectively.

(i) ***Credit risk***

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Company.

The Company does not have any material credit risk exposure to any single receivable or Company of receivables under financial instruments entered into by the Company.

The objective of the Company is to minimise the risk of loss from credit risk. Although revenue from operations is minimal, the Company trades only with creditworthy third parties.

In addition, receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is insignificant. The Company's maximum credit risk exposure is limited to the carrying value of its financial assets as indicated on the statement of financial position.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables.

■ Credit risk exposures

The maximum exposure to credit risk is to its alliance partners and is limited to the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements.

Credit risk related to balances with banks and other financial institutions is managed by the Company in accordance with approved Board’s policy. Such policy requires that surplus funds are only invested with financial institutions residing in Australia, wherever possible.

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 29 Financial Risk Management (continued)

- Impairment losses

The ageing of the Company's trade and other receivables at reporting date was as follows:

	Gross 2022 $	Impaired 2022 $	Net 2022 $	Past due but not impaired 2022 $
Trade receivables				
Not past due	18,559	-	18,559	-
Past due up to 60 days	35,344	-	35,344	35,344
Past due 60 days to 90 months	13,319	-	13,319	13,319
Past due over 90 months	81,649	(7,486)	74,163	74,163
	148,870	(7,486)	141,384	122,825
Other receivables				
Not past due	1,595,605	-	1,595,605	-
Total	1,744,475	(7,486)	1,736,989	122,825

(ii) **Liquidity risk**

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and ensuring sufficient cash and marketable securities are available to meet the current and future commitments of the Company.

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Typically, the Company ensures that it has sufficient cash to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

The financial liabilities of the Company are confined to trade and other payables as disclosed in the statement of financial position. All trade and other payables are non-interest bearing and due within 30 days of the reporting date.

- *Contractual Maturities*

The following are the contractual maturities of financial liabilities of the Company:

	Within 1 Year		Greater Than 1 Year		Total	
	2022 $	2021 $	2022 $	2021 $	2022 $	2021 $
Financial liabilities due for payment						
Trade and other payables	1,082,763	1,504,295	-	-	1,082,763	1,504,295
Total contractual outflows	1,082,763	1,504,295	-	-	1,082,763	1,504,295
Financial assets						
Cash and cash equivalents	6,308,346	3,212,766	1,631,679	-	7,940,025	3,212,766
Trade and other receivables	1,736,989	498,170	-	-	1,736,989	498,170
Total anticipated inflows	8,045,335	3,710,936	1,631,679	-	9,677,014	3,710,936
Net (outflow)/inflow on financial instruments	6,962,572	2,206,641	1,631,679	-	8,594,251	2,206,641

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 29 Financial Risk Management (continued)

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

(iii) **Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(1) ***Interest rate risk***

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting period whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. The Company is also exposed to earnings volatility on floating rate instruments.

Interest rate risk is not material to the Company as no debt arrangements have been entered into, and movements in interest rates on the Company's financial assets is not material.

Sensitivity

The Company is exposed to market interest rates on moneys it has deposited with banking institutions in form of short-term deposits.

At the end of the financial period, the Company had the following financial assets exposed to US variable interest rate risk.

The main risks arising from the Company's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. The Chief Financial Officer is responsible for the management of the Company's financial risk. The Chief Financial Officer updates the board of directors regularly on financial risk management measures that they implement.

	2022 $	2021 $
Cash and cash equivalents	1,955,900	3,212,766
Guarantees (note 30c)	1,631,679	-
Cash held on exchanges	4,352,446	-
	7,940,025	3,212,766

At the end of the financial period, the Company had no financial liabilities exposed to variable interest rate risks.

The Company's cash management policy is to invest surplus funds at the best available rate.

The following table illustrates sensitivity to the Company's exposures to changes in interest rates. The table indicates the impact on how profit and equity values reported at balance sheet date would have been affected by changes in the relevant risk variable that management considers to be reasonably possible. The sensitivity assumes that the movement in a particular variable is independent of other variables.

Interest rates	Profit $	Equity $
Year ended 30 June 2022		
±100 basis points change in interest rates	Nil	Nil
Year ended 30 June 2020		
±100 basis points change in interest rates	Nil	Nil

Due to the low amount of debt exposed to floating interest rates, interest rate risk is not considered a high risk to the Company. Movement in interest rates on the Company's financial liabilities and assets is not material.

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 29 Financial Risk Management (continued)

(2) ***Foreign exchange risk***

Exposure to foreign exchange risk may result in the fair value or future cash flows of a financial instrument fluctuating due to movement in foreign exchange rates of currencies in which the Group holds financial instruments which are other than the AUD functional currency of the Group.

The Company has no material exposure to foreign exchange risk.

(3) ***Price risk***

Price risk relates to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company does not presently hold material amounts subject to price risk. As such the Board considers price risk as a low risk to the Company.

(4) **Investment risk**

For any potential debt or equity investments, a review is performed by the CEO, together with the legal team, to identify and analyse the risk associated with the investment. Investment proposals are presented to the Board depending on the transaction amount and the nature of the transaction for approval. Ongoing monitoring of the investment is performance by a combination of business leaders and presented and reviewed by the executive team on a monthly basis.

(iv) **Risk Management of Digital Assets**

(1) ***Regulatory Risk***

The Company's digital assets trading businesses currently operates in Hong Kong and the British Virgin Isles.

The Company's digital asset business are and will continue to be subjected to stringent regulatory compliance requirements in each relevant jurisdiction in which the group may operate. This includes Anti-Money Laundering ("AML") systems and controls.

Further, the Company continues to explore opportunities for further expansion of its business presence in other jurisdictions, including jurisdictions which may require the group or its subsidiaries to apply for and hold further regulatory recognition.

(2) ***Price Risk of Digital Assets***

The Company holds various digital assets from time to time in order to facilitate and support the settlement process of the digital asset trading business. Price volatility of digital assets may cause significant impact on the Company's performance. To manage these risks, the level of digital asset holdings is controlled by limits based on volatility, position, size and liquidity, as approved by the Risk Committee. During times of heightened price volatility, the Company may choose to reduce its digital asset exposure by selling down its positions.

(3) ***Risks related to Safekeeping of Assets***

The Company maintains digital assets in both "hot" (connected to the Internet) and "cold" (not connected to the internet) wallets. "Hot" wallets are more susceptible to cyber attacks or potential theft as they directly connected to the public internet network.

To mitigate such risks, the Company maintains a minimal amount of digital assets held on "hot" wallets. In order to safeguard its "cold" wallets, the Company has implemented multisig securities and physical securities measures. The Company will continue to review and ensure cyber security of its digital assets are a high priority.

(4) ***Third Party risk***

The Company holds digital assets on third party digital asset trading platforms and exchanges, which may expose the company to third party risk. Third party risk in this context is the risk of a third party experiencing an adverse advent (e.g. cybersecurity breaches, operational disruption, reputational damage, regulatory or compliance breaches).

The Groups Risk committee is responsible for managing the Group's third party risk exposure in connection with its digital asset holdings. To mitigate or reduce such third party risks, trading limits, settlement limits and balances are reviewed and monitored by the risk department in accordance with policies approved by the Risk Committee of the Group.

Notes to the consolidated financial statements

for the year ended 30 June 2022

Note 30 Parent entity disclosures

	2022 $	2021 $
a. Financial Position of OliveX Holdings Limited		
Current assets	3,986,551	8,308,622
Non-current assets	20,092,092	5,446,504
Total assets	24,078,643	13,755,126
Current liabilities	370,225	805,051
Non-Current liabilities	999,870	-
Total liabilities	1,370,095	805,051
Net assets	22,708,548	12,950,075
Equity		
Issued capital	29,104,783	15,214,344
Share based payment reserve	1,410,471	3,612,142
Accumulated losses	(7,806,706)	(5,876,411)
Total equity	22,708,548	12,950,075
b. Financial performance of OliveX Holdings Limited		
Profit / (loss) for the year	(1,930,295)	(5,419,736)
Other comprehensive income	-	-
Total comprehensive income	(1,930,295)	(5,419,736)

c. Guarantees entered into by OliveX Holdings Limited for the debts of its subsidiaries

OliveX Holdings Limited has entered into a security guarantee (stand by Letter of Credit) with Marvel LLC of US$1,125,000 ($A 1,631,679) as part of its license agreement on behalf of Six To Start Limited as at 30 June 2022 (2021: nil). The funds are currently held in a term deposit with a major Australian bank.

Notes to the consolidated financial statements
for the year ended 30 June 2022

Note 31 Controlled Entities

Controlled Entities	Country of Incorporation	Class of Shares	Percentage Owned	
			30 June 2022 %	30 June 2021 %
OliveX (HK) Limited	Hong Kong	Ordinary	100	100
OliveX (UK) Limited	United Kingdom	Ordinary	100	100
OliveX (AU) Pty Ltd	Australia	Ordinary	100	100
Six to Start Limited	United Kingdom	Ordinary	100	-
OliveX (BVI) Limited	British Virgin Islands	Ordinary	100	-

a. Investments in subsidiaries are accounted for at cost.
b. OliveX Holdings Limited is the ultimate parent of the Group.
c. Six to Start Limited was incorporated on 21 June 2007.
d. OliveX (BVI) Limited was incorporated on 12 September 2021.

Note 32 Commitments

During the financial year, STS secured a multiyear licencing agreement with Marvel LLC in order to develop Marvel-branded interactive digital fitness content and experiences. As part of this agreement, OLX provided an irrevocable Letter of Credit for US$1,125,000 which expires on 1 January 2027. The details of the agreement are commercially sensitive.

There were no other material commitments as at 30 June 2022 (30 June 2021: nil).

Note 33 Contingent liabilities

There are no contingent liabilities as at 30 June 2022 (30 June 2021: nil).

Note 34 Events subsequent to reporting date

On 12 August 2022, the Company announced a strategic equity investment in Silentmode, a health technology start-up that owns the mental health training app Breathonics.

On 12 August 2022, the Company also announced an agreement with game developer Parasol Corp Pty Ltd, the developer of “We Fight Monsters” for the development of three new games over three years.

On 12 August 2022, the Company issued 100,000 ordinary shares on the conversion of 100,000 options with an exercise price of $0.20 per option (expiry 24/08/2023).

Directors' declaration

The Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 22 to 69, are in accordance with the *Corporations Act 2001* (Cth) and:

   (a) comply with Accounting Standard;

   (b) are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, as stated in Note 1 to the financial statements;

   (c) give a true and fair view of the financial position as at 30 June 2022 and of the performance for the year ended on that date of the Group.

2. the Directors have been given the declarations required by s.295A of the *Corporations Act 2001* (Cth);

3. in the directors' opinion there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, based on the factors outlined in Note 1a.ii Going concern.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:

Rumjahn

KEITH RUMJAHN
Managing Director and Chief Executive Officer
Dated this Friday, 30 September 2022

Moore Australia Audit (WA)

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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF OLIVEX HOLDINGS LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of OliveX Holdings Limited (the Company) and its subsidiaries, which comprises the consolidated statement of financial position as at 30 June 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

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

i. giving a true and fair view of the Group's financial position as at 30 June 2022 and of its financial performance for the period then ended; 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.

Emphasis of Matter – Material Uncertainty Related to Going Concern

In forming our opinion on the Group financial statements, which is not modified, we have considered the adequacy of the disclosure made in Note 1a(ii) to the financial statements concerning the Group's ability to continue as a going concern. The Group's ability to advance its principal activities and meet operational expenditure at current levels is dependent upon future capital raisings and generating sufficient revenues through its technology assets over the next 12 months. These conditions, along with other matters set forth in Note 1a(ii) indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. In the event that these outcomes cannot be achieved as expected, the Group may be unable to realise its assets and discharge its liabilities in the normal course of the business. The Group financial statements do not include the adjustments that would result if the Group were unable to continue as a going concern.

Emphasis of Matter – Risk and Uncertainties in relation to Digital assets

In forming our opinion on the Group financial statements, which is not modified, we draw attention to Notes 1bb, 15 and 29b(iv) to the financial statements which describe the risk and uncertainties with respect to the Group's venture into blockchain games technology, digital asset transactions and the evolving nature of the digital asset markets. Whilst representing significant growth potential, the digital asset markets are also exposed to evolving regulations, volatile movement in asset values and trading volumes, custody and counterparty risks, IT security risks, and heightened scrutiny by regulators especially in light of recent collapses of major market players. In our view, these conditions are of such importance that they are fundamental to the users' understanding of the Group's operations and consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF OLIVEX HOLDINGS LIMITED (CONTINUED)

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 year. 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.

<table>
<tr><th colspan="2">Accounting for Business Combination and Intangible Assets</th></tr>
<tr><th colspan="2">Refer to Note 2 Business Combinations and Note 14 Intangible Assets</th></tr>
<tr><td>On 2 July 2021, OliveX Holdings Limited acquired 100% interest in Six to Start Limited.

The purchase consideration totalled $10.61 million comprising of cash consideration of $5.88 million, shares issued of $3.07 million and deferred consideration of $1.67 million. The fair value of the identifiable net assets acquired amounted to $9.96 million which resulted in goodwill of $528k being recognised. Fair value of the identifiable intangible assets acquired was $10.03 million.

In addition, the Group also acquired the business of Sol Cycling on 22 November 2022 which has been accounted for by applying the acquisition method under AASB 3 Business Combinations. The acquisition resulted in $718k identifiable intangible asset being recognised.

We considered the accounting for these transactions as a key audit matter due to the significance of the transactions and their complex nature requiring management to exercise judgment to determine the transaction values and the accounting approach adopted.</td><td>Our procedures included, amongst others:

• Reviewed the underlying Share Sale Agreements so as to understand the key terms and conditions
• Reviewed the asset sale agreements to understand the key terms and conditions of the acquisition of the assets
• Critically evaluated the basis for the acquisition methods adopted by management and assessed the appropriateness of the method in accordance with AASB 3 business combinations
• Reviewed and tested management calculations for the fair value of intangibles acquired and discussed with management the key estimates and judgements involved in the calculations
• Reviewed the method of calculating deferred consideration and management estimates involved
• Tested the amortisation schedules and reviewed the reasonableness of the useful lives adopted for intangible assets acquired
• Reviewed management impairment assessments and discussed with management
• Assessed the appropriateness of the relevant disclosures in the financial statements</td></tr>
</table>

Key Audit Matters (continued)

Accounting for Digital Asset Transactions and Balances	
Refer to Note 1bb Key Estimates, Note 15 Digital Assets and Note 18 DOSE Token Payable	
The Group holds a number of digital assets which include cryptocurrencies and stablecoins, DOSE utility tokens, Digital Land and NFTs valued at $5.99 million as at 30 June 2022. In the current year, the Group also launched its own DOSE utility tokens on multiple centralised and decentralised cryptocurrency exchanges. Currently, there is no specific accounting standard which addresses the accounting treatment of the digital assets, consequently a high level of judgement is involved in determining the appropriate accounting treatment to be applied to the digital asset transactions and balances. To determine the fair values of the digital assets, management also needs to apply judgement to identify the relevant available active markets, accessibility and the level of activity within those markets. Given the complexity and evolving nature of the blockchain technology and digital assets, materiality of the balances held, high level of transactions as well as significant level of judgments involved, this was considered a key audit matter.	Our procedures included, amongst others: • Enquired of management and obtained understanding of the nature of these transactions, processes and controls in place in relation to digital assets transactions • Reviewed key agreements executed in relation to the acquisition and sales of digital assets • Evaluated the accounting policies adopted by management and assessed the appropriateness of policies adopted • Consulted and obtained internal technical advice in relation to the proper accounting treatment of these digital assets • Where possible, obtained third-party confirmation to confirm transactions for the year and account balances at year end • Performed substantive test of detail on a sample basis to ascertain the transactions by checking to underlying agreements and other supporting documents • Tested management's reconciliation of wallet transactions and balances at year end to publicly sourced data on the blockchains • Performed on a sample basis walkthroughs with management to ascertain the ownership and control of the wallets held • Where possible, performed post-year end testing to ascertain the existence of assets at year end • For fair value assessment, verified the closing market value to available market information on exchanges and blockchain • Assessed whether these transactions have been appropriately disclosed and reported in the financial statements

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF OLIVEX HOLDINGS LIMITED (CONTINUED)

Key Audit Matters (continued)

Revenue recognition	
Refer to Note 4 Revenue and Note 18 DOSE Token Payable	
The total revenue for the Group for the year ended 30 June 2022 was $2.92 million. Refer to note 1(w) for the Group's revenue recognition policy. The major sources of revenue were apps and games revenue of $1.88 million and NFT sales of $658k. In addition, the Group has sold some of its own utility DOSE tokens as part of the private and public sales during the year. To assess the accounting treatment of the sale of the DOSE tokens we have considered revenue recognition principles in accordance with AASB *15 Revenue and Contracts with Customers*. The receipt from token holders is viewed as prepayment for future goods and services, yet to be supplied by the Company, and was accounted for as unearned revenue disclosed in Note 18. Given the significance of the balance and judgements involved in assessment of revenue recognition, we considered this area as a key audit matter.	Our procedures included, amongst others: • Obtained an understanding of accounting policies and documented the key internal controls in relation to revenue recognition • Consulted with management in relation to revenue recognition policies and ensured the accounting treatment is consistent with policies and prior period approach • Consulted and obtained internal technical advice in relation to the proper accounting treatment of the sales of the DOSE tokens • Reviewed terms and conditions of contracts to test appropriateness of revenue recognised in line with accounting standards • Tested on a sample basis, revenue recognised to supporting documents to ensure appropriateness of revenue recognised in accordance with AASB 15 *Revenue from Contracts with Customers* • For audit work done by component auditors on Six to Start, we have obtained and reviewed deliverables prepared by component auditors • Assessed the appropriateness of the relevant disclosures in the financial statements

Share-based payments	
Refer to Remuneration Report and Note 25 Share-based payments	
As detailed in the Remuneration report and Note 25, during the year ended 30 June 2022, the Group transacted with Key Management Personnel (KMPs) and other parties including directors, consultants, shareholders and security holders. The total share-based payment expense during the financial year ended 30 June 2021 was $174,977 as detailed in the Statement of Profit or Loss and Other Comprehensive Income. Fair value of the performance rights granted to the Managing Director was valued at $946k which is expensed over the vesting period of 2.6 years. The fair value of the share-based payments is determined using the Black-Scholes model and Barrier option pricing model which takes into account the terms and conditions upon which the instruments were granted and a number of key underlying assumptions. Given the significance of the expense and the level of key estimates and judgments in determining the valuation of the share-based payments, the accounting for the share-based payments was considered a key audit matter.	Our procedures included, amongst others: • Enquired and obtained confirmations from KMPs regarding share-based payment transactions during the year • Reviewed minutes of meetings and resolutions, NSX announcements, agreements (including various offer letters) pertaining to the underlying share-based payments • Assessed the valuation methodology used by management to estimate the fair value of equity instruments issued, including testing the integrity of the information provided, assessing the appropriateness of key assumptions and input into the valuation model • Evaluated the proper expensing of the share-based payments on a proportionate basis across the relevant financial period from grant date to vesting date. • Performed our own internal recalculation to ensure the total reported share-based expense is not materially misstated • Assessed whether these transactions have been appropriately disclosed and reported in the financial statements

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF OLIVEX HOLDINGS LIMITED (CONTINUED)

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the period ended 30 June 2022, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly 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 the financial report is located on the Auditing and Assurance Standards Board website at:
https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF OLIVEX HOLDINGS LIMITED (CONTINUED)

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report as included in the directors' report for the period ended 30 June 2022.

In our opinion, the Remuneration Report of OliveX Holdings Limited, for the period ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

Neil Pace

NEIL PACE
PARTNER

Moore Australia

MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 30th day of September 2022.

Corporate governance statement

The Board is responsible for establishing the Company's corporate governance framework. In establishing its corporate governance framework, the Board has referred to the 3rd edition of the NSX Corporate Governance Councils' Corporate Governance Principles and Recommendations.

The Corporate Governance Statement discloses the extent to which the Company follows the recommendations. The Company will follow each recommendation where the Board has considered the recommendation to be an appropriate benchmark for its corporate governance practices. Where the Company's corporate governance practices will follow a recommendation, the Board has made appropriate statements reporting on the adoption of the recommendation. In compliance with the "if not, why not" reporting regime, where, after due consideration, the Company's corporate governance practices will not follow a recommendation, the Board has explained its reasons for not following the recommendation and disclosed what, if any, alternative practices the Company will adopt instead of those in the recommendation.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 1: Lay solid foundations for management and oversight		
Recommendation 1.1 A listed entity should have and disclose a charter which: (a) sets out the respective roles and responsibilities of the board, the chair and management; and (b) includes a description of those matters expressly reserved to the board and those delegated to management.	YES	The Board has the following specific responsibilities: (a) appointment of the Chief Executive Officer / Managing Director and other senior executives and the determination of their terms and conditions including remuneration and termination; (b) driving the strategic direction of the Company, ensuring appropriate resources are available to meet objectives and monitoring management's performance; (c) reviewing and ratifying systems of risk management and internal compliance and control, codes of conduct and legal compliance; (d) approving and monitoring the progress of major capital expenditure, capital management and significant acquisitions and divestitures; (e) approving and monitoring the budget and the adequacy and integrity of financial and other reporting; (f) approving the annual, half yearly and quarterly accounts; (g) approving significant changes to the organisational structure; (h) approving the issue of any shares, options, equity instruments or other securities in the Company (subject to compliance with the NSX Listing Rules if applicable); (i) ensuring a high standard of corporate governance practice and regulatory compliance and promoting ethical and responsible decision making; (j) recommending to shareholders the appointment of the external auditor as and when their appointment or re-appointment is required to be approved by them (in accordance with the NSX Listing Rules if applicable); and (k) meeting with the external auditor, at their request, without management being present. The Board delegates responsibility for the Company's day-to-day operations and administration to the Managing Director. The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required to assess risk management and associated internal compliance and control procedures and report back quarterly to the Board.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Recommendation 1.2 A listed entity should: (a) undertake appropriate checks before appointing a person, or putting forward to security holders a candidate for election, as a director; and (b) provide security holders with all material information relevant to a decision on whether or not to elect or re-elect a director.	YES	In appointing new members to the Board, consideration is given to the ability of the appointee to contribute to the ongoing effectiveness of the Board, to exercise sound business judgement, to commit the necessary time to fulfil the requirements of the role effectively and to contribute to the development of the strategic direction of the Company. Prior to appointing a new member to the Board or putting forward a candidate to shareholders for election as a director, the Board undertakes appropriate checks including making enquiries of any: (a) criminal history; (b) history of fraud, dishonesty, misrepresentation, concealment of material facts or breach of duty; and (c) history of personal bankruptcy or any involvement in companies that have gone into administration due to insolvency, and provides shareholders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a director.
Recommendation 1.3 A listed entity should have a written agreement with each director and senior executive setting out the terms of their appointment.	YES	The Board's charter requires that each Board member and each senior executive must enter into a written agreement with the Company setting out the terms of their appointment.
Recommendation 1.4 The company secretary of a listed entity should be accountable directly to the board, through the chair, on all matters to do with the proper functioning of the board.	YES	The Company Secretary is to provide advice to the Board on corporate governance matters, the application of the Company's Constitution, the NSX Listing Rules and applicable other laws. When requested by the Board, the Company Secretary will facilitate the flow of information of the Board, between the Board and its Committees and between senior executives and non-executive Directors.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Recommendation 1.5 A listed entity should: (a) have a diversity policy which includes requirements for the board: (i) to set measurable objectives for achieving gender diversity; and (ii) to assess annually both the objectives and the entity's progress in achieving them; (b) disclose that policy or a summary or it; and (c) disclose as at the end of each reporting period: (i) the measurable objectives for achieving gender diversity set by the board in accordance with the entity's diversity policy and its progress towards achieving them; and (ii) either: (A) the respective proportions of men and women on the board, in senior executive positions and across the whole organisation (including how the entity has defined "senior executive" for these purposes); or (B) the entity's "Gender Equality Indicators", as defined in the Workplace Gender Equality Act 2012.	YES	The Company's diversity policy provides a framework for the Company to achieve: (a) a diverse and skilled workforce, leading to continuous improvement in service delivery and achievement of corporate goals; (b) a workplace culture characterised by inclusive practices and behaviours for the benefit of all staff; (c) improved employment and career development opportunities for women; (d) a work environment that values and utilises the contributions of employees with diverse backgrounds, experiences and perspectives through improved awareness of the benefits of workforce diversity and successful management of diversity; and (e) awareness in all staff of their rights and responsibilities with regards to fairness, equity and respect for all aspects of diversity, (collectively, the **Objectives**). The Board is responsible for developing measurable objectives and strategies to meet the Objectives of the diversity policy (**Measurable Objectives**) and monitoring the progress of the Measurable Objectives through the monitoring, evaluation and reporting mechanisms listed below. The Board may also set Measurable Objectives for achieving gender diversity and monitor their achievement. The Board will conduct all Board appointment processes in a manner that promotes gender diversity, including establishing a structured approach for identifying a pool of candidates, using external experts where necessary. The Company's diversity strategies include: (a) recruiting from a diverse pool of candidates for all positions, including senior management and the Board; (b) reviewing succession plans to ensure an appropriate focus on diversity; (c) identifying specific factors to take account of in recruitment and selection processes to encourage diversity; (d) developing programs to develop a broader pool of skilled and experienced senior management and Board candidates, including, workplace development programs, mentoring programs and targeted training and development; (e) developing a culture which takes account of domestic responsibilities of employees; and (f) any other strategies the Board develops from time to time. The Company has not formally established measurable objectives for achieving gender diversity given the current stage of its operations and number of employees. The Company has however adopted a Diversity Policy which outlines the Company's objectives in the provision of equal opportunities in respect of employment and employment conditions. The Diversity Policy is available on the Company's website. The Company will review the requirement to set and report on measurable objectives for achieving gender diversity as the Company's operations and employee numbers grow.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Recommendation 1.6 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of the board, its committees and individual directors; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	YES	The Board is currently responsible for the performance evaluation of individual Directors on an annual basis. To assist in this process an independent adviser may be used. The Board will disclose, in relation to each reporting period, whether a performance evaluation was undertaken. It is envisaged that once the Company is of a sufficient size to establish a nomination committee, that committee will be responsible for arranging the performance evaluation of the board, its committees and individual directors on behalf of the Board.
Recommendation 1.7 A listed entity should: (a) have and disclose a process for periodically evaluating the performance of its senior executives; and (b) disclose in relation to each reporting period, whether a performance evaluation was undertaken in the reporting period in accordance with that process.	YES	The Board is currently responsible for the performance evaluation of the Company's senior executives. Once the Company is of a sufficient size to establish a remuneration committee, the remuneration committee will oversee the performance evaluation of the executive team. This evaluation will be based on specific criteria, including the business performance of the Company and its subsidiaries, whether strategic objectives are being achieved and the development of management and personnel. The Board will disclose, in relation to each reporting period, whether a performance evaluation of the senior executive team was undertaken.
Principle 2: Structure the board to add value		
Recommendation 2.1 The board of a listed entity should: (a) have a nomination committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a nomination committee, disclose that fact and the processes it employs to address board succession issues and to ensure that the board has the appropriate balance of skills, experience, independence and knowledge of the entity to enable it to discharge its duties and responsibilities effectively.	NO	The Board is not currently of a sufficient size and structure to establish a nomination committee. At present, the full Board carries out the duties that would ordinarily be assigned to a nomination committee under the written terms of reference for that committee. The Board is responsible for the appointment of the Managing Director and other senior executives and the determination of their terms and conditions including remuneration and termination. The Board regularly reviews the composition of the Board to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction. As the Company grows in size, it is planned that the Company will establish a separate nomination committee with its own nomination committee charter.
Recommendation 2.2 A listed entity should have and disclose a board skill matrix setting out the mix of skills and diversity that the board currently has or is looking to achieve in its membership.	YES	The composition of the Board is reviewed regularly to ensure the appropriate mix of skills and expertise is present to facilitate successful strategic direction. The Company has completed a skills matrix that will be reviewed annually. This is disclosed at the end of this report.
Recommendation 2.3 **A listed entity should disclose:** (a) the names of the directors considered by the board to be independent directors; (b) if a director has an interest, position, association or relationship of the type described in Box 2.3 of the NSX Corporate Governance Principles and Recommendation (3rd Edition), but the board is of the opinion that it does not compromise the independence of the director, the nature of the interest, position, association or relationship in question and an explanation of why the board is of that opinion; and (c) the length of service of each director	YES	The Board is currently comprised of one (1) executive director, Mr Keith Rumjahn, (1) non-executive directors, Mr Yat Siu and and (3) independent non-executive directors , Mr Sonny, Mr David Do and Ms Maja McGuire. An independent Director is one who is independent of management and free from any business or other relationship, which could, or could reasonably be perceived to materially interfere with, the exercise of independent judgement. The Board will continue to assess the Company's needs as it grows in size and if appropriate, appoint additional non-executive and independent directors.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Recommendation 2.4 A majority of the board of a listed entity should be independent directors.	YES	Currently, independent directors do form a majority of the Board as three (3) of the Directors are considered to be independent directors. The Board will continue to assess the Company's needs as it grows in size and if appropriate, appoint additional non-executive and independent directors.
Recommendation 2.5 The chair of the board of a listed entity should be an independent director and, in particular, should not be the same person as the CEO of the entity.	YES	The Company does currently have a sole independent Non-Executive Chairman. The Board will continue to assess the Company's needs as it grows in size and if appropriate, appoint an independent non-executive chairman. The CEO and Chairman are not the same person.
Recommendation 2.6 A listed entity should have a program for inducting new directors and providing appropriate professional development opportunities for continuing directors to develop and maintain the skills and knowledge needed to perform their role as a director effectively.	YES	Under the Board's charter, the Company Secretary is to facilitate the induction of new Directors. The Company's strategies to achieve the necessary blend of skills and diversity amongst Board members include workplace development programs, mentoring programs and targeted training and development.
Principle 3: Act ethically and responsibly		
Recommendation 3.1 A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and (b) disclose that code or a summary of it.	YES	The Company's Statement of Purpose and Value is available on the Company's website.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Recommendation 3.2 A listed entity should: (a) have a code of conduct for its directors, senior executives and employees; and ensure that the board or a committee of the board is informed of any material breaches of that code.	YES	The Company's Code of Conduct provides a framework for decisions and actions in relation to ethical conduct in employment. It underpins the Company's commitment to integrity and fair dealing in its business affairs and to a duty of care to all employees, clients and stakeholders. The document sets out the principles covering appropriate conduct in a variety of contexts and outlines the minimum standard of behaviour expected from employees. Managers and supervisors are responsible and accountable for: (a) undertaking their duties and behaving in a manner that is consistent with the provisions of the Code of Conduct; (b) the effective implementation, promotion and support of the Code of Conduct in their areas of responsibility; and (c) ensuring employees under their control understand and follow the provisions outlined in the Code of Conduct. All employees are responsible for: (a) undertaking their duties in a manner that is consistent with the provisions of the Code of Conduct; (b) reporting suspected corrupt conduct; and (c) reporting any departure from the Code of Conduct by themselves or others. The Conduct of Conduct governs a variety of employment conduct, including: (a) personal and professional behaviour; (b) conflicts of interest; (c) public and media comment; (d) use of Company resources; (e) security of information; (f) intellectual property/copyright; (g) discrimination and harassment; (h) corrupt conduct; (i) occupational health and safety; (j) compliance with legislation; (k) fair dealing; (l) responsibilities to investors; (m) breaches of the Code of Conduct; and (n) reporting matters of concern.
Recommendation 3.3 A listed entity should: (a) have and disclose a whistleblower policy; and ensure that the board or a committee of the board is informed of any material incidents reported under that policy.	YES	The Company's Whistleblower Policy provides a framework for creating and maintaining a culture of proper conduct and fair and honest dealing in its business activities. The document is available on the Company's website.
Recommendation 3.4 A listed entity should: (a) have and disclose an anti-bribery and corruption policy; and ensure that the board or a committee of the board is informed of any material breaches of that policy	YES	The Company's Anti-Bribery and Corruption Policy provides a framework for ensuring that the Company, its directors and staff are acting professionally, fairly and with integrity in all business dealings. The Company has a zero tolerance to bribery and corruption. The document is available on the Company's website.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 4: Safeguard integrity in financial reporting		
Recommendation 4.1 The board of a listed entity should: (a) have an audit committee which: (i) has at least three members, all of whom are non-executive directors and a majority of whom are independent directors; and (ii) is chaired by an independent director, who is not the chair of the board, and disclose: (iii) the charter of the committee; (iv) the relevant qualifications and experience of the members of the committee; and (v) in relation to each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have an audit committee, disclose that fact and the processes it employs that independently verify and safeguard the integrity of its financial reporting, including the processes for the appointment and removal of the external auditor and the rotation of the audit engagement partner.	YES	During the financial year, the Board established and Audit & Risk committee. Under the Board's charter, the specific responsibilities of the Committee include to recommend to shareholders the appointment of the external auditor and to meet with the external auditor when required and without management being present. The Committee meets with the Company's auditors at regular intervals to continually assess and monitor the performance of the external auditors.
Recommendation 4.2 The board of a listed entity should, before it approves the entity's financial statements for a financial period, receive from its CEO and CFO a declaration that the financial records of the entity have been properly maintained and that the financial statements comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the entity and that the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.	YES	To assist the Board in its review and consideration of the Company's financial statements for a financial period, the Company's Chief Financial Officer and Managing Director declare to the Board whether, in their opinion: (a) the Company's financial records have been properly maintained; and (b) the financial statements comply with the appropriate accounting standards and give a true and fair view of the Company's financial position and performance, and, in doing so, confirm if their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.
Recommendation 4.3 A listed entity that has an AGM should ensure that its external auditor attends its AGM and is available to answer questions from security holders relevant to the audit.	YES	The Company will disclose its process to verify the integrity of any periodic corporate report it releases to the market that is not audited or reviewed by an external auditor.
Principle 5: Make timely and balanced disclosure		
Recommendation 5.1 A listed entity should have and disclose a written policy for complying with its continuous disclosure obligations under listing rule 3.1.	YES	The Company has in place a written policy on information disclosure and relevant procedures. The focus of these procedures is on continuous disclosure compliance and improving access to information for investors. The Company Secretary is responsible for: (a) overseeing and co-ordinating disclosure of information to the relevant stock exchanges and shareholders; and (b) providing guidance to Directors and employees on disclosure requirements and procedures. Price sensitive information is publicly released through NSX before it is disclosed to shareholders and market participants. Distribution of other information to shareholders and market participants is also managed through disclosure to the NSX. Information is posted on the Company's website after the NSX confirms an announcement has been made, with the aim of making the information readily accessible to the widest audience.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Recommendation 5.2 A listed entity should ensure that its board receives copies of all material market announcements promptly after they have been made.	YES	The Board will be responsible for signing off on all material market announcements with respect to the Company prior to its release to the market.
Recommendation 5.3 A listed entity that gives a new and substantive investor or analyst presentation should release a copy of the presentation materials on the ASX Market Announcements Platform ahead of the presentation.	YES	The Company will release all new and substantive investor or analyst presentations to the NSX announcements platform ahead of any presentation.
Principle 6: Respect the rights of security holders		
Recommendation 6.1 A listed entity should provide information about itself and its governance to investors via its website.	YES	The Company's full corporate governance practices and policies are set out on the Company's website at: www.olivex.ai.
Recommendation 6.2 A listed entity should design and implement an investor relations program to facilitate effective two-way communication with investors.	YES	The Board of the Company aims to ensure that the shareholders are informed of all major developments affecting the Company's state of affairs and to facilitate two-way communication with investors. Information is communicated to shareholders through: (a) the Annual Report delivered by post and which is also placed on the Company's website; (b) the half yearly report which is placed on the Company's website; (c) the quarterly reports which are placed on the Company's website; (d) disclosures and announcements made to the NSX copies of which are placed on the Company's website; (e) notices and explanatory memoranda of Annual General Meetings (AGM) and Extraordinary General Meetings (EGM) copies of which are placed on the Company's website; (f) the Managing Director's address made at the AGMs and the EGMs, copies of which are placed on the Company's website; (g) the Company's website on which the Company posts all announcements which it makes to the NSX; and (h) the auditor's lead engagement partner being present at the AGM to answer questions from shareholders about the conduct of the audit and the preparation and content of the auditor's report.
Recommendation 6.3 A listed entity should disclose the policies and processes it has in place to facilitate and encourage participation at meetings of security holders.	YES	Shareholders are encouraged to attend and participate in general meetings. Accordingly, meeting are held during normal business hours and at a location considered to be most convenient for the greatest possible number of shareholders to attend. However, due to the size and nature of the Company, the Board does not consider a policy outlining the policies and processes that it has in place to facilitate and encourage participating at meetings of shareholders to be appropriate at this stage.
Recommendation 6.4 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security registry electronically.	YES	Shareholders can register with the Company's Registrar to receive email notifications of when an announcement is made by the Company to the NSX, including the release of the annual, half yearly and quarterly reports. Links are made available to the Company's website on which all information provided to the NSX is immediately posted. Shareholders are encouraged to receive communications from the Company and its share registry electronically.

PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Recommendation 6.5 A listed entity should give security holders the option to receive communications from, and send communications to, the entity and its security register electronically.		The Company will give all security holders the option to receive communications from, and send communications to, the Company and its security registry electronically.
Principle 7: Recognise and manage risk		
Recommendation 7.1 The board of a listed entity should: (a) have a committee or committees to oversee risk, each of which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a risk committee or committees that satisfy (a) above, disclose that fact and the process it employs for overseeing the entity's risk management framework.	YES	The Board determines the Company's "risk profile" and is responsible for overseeing and approving risk management strategy and policies, internal compliance and internal control. The responsibility for undertaking and assessing risk management and internal control effectiveness is delegated to management. Management is required to assess risk management and associated internal compliance and control procedures and report back quarterly to the Board. The Company's process of risk management and internal compliance and control includes: (a) identifying and measuring risks that might impact upon the achievement of the Company's goals and objectives, and monitoring the environment for emerging factors and trends that affect these risks. (b) formulating risk management strategies to manage identified risks, and designing and implementing appropriate risk management policies and internal controls. (c) monitoring the performance of, and improving the effectiveness of, risk management systems and internal compliance and controls, including regular assessment of the effectiveness of risk management and internal compliance and control. As the Company grows in size, it is planned at the Company will establish a separate audit and risk committee with its own committee charter.
Recommendation 7.2 The board or a committee of the board should: (a) review the entity's risk management framework with management at least annually to satisfy itself that it continues to be sound, to determine whether there have been any changes in the material business risks the entity faces and to ensure that they remain within the risk appetite set by the board; and (b) disclose in relation to each reporting period, whether such a review has taken place.	YES	The Board reviews assessments of the effectiveness of risk management and internal compliance and control on an annual basis and will disclose information on the review process in is Annual Report.
Recommendation 7.3 A listed entity should disclose: (a) if it has an internal audit function, how the function is structured and what role it performs; or (b) if it does not have an internal audit function, that fact and the processes it employs for evaluating and continually improving the effectiveness of its risk management and internal control processes.	NO	The Company does not have an internal audit function. Management oversees the Company's risk management systems, practices and procedures to ensure effective risk identification and management and compliance with internal guidelines and external requirements. The Board reviews reports by management on the efficiency and effectiveness of risk management and associated internal compliance and control procedures. When the Board is of a sufficient size and nature, it will establish and delegate to an Audit and Risk Committee responsibility for implementing the Company's risk management system.
Recommendation 7.4 A listed entity should disclose whether, and if so how, it has regard to economic, environmental and social sustainability risks and, if it does, how it manages or intends to manage those risks.	YES	The Company believes it does not have any material exposure to economic, environmental or social sustainability risks and as such does not produce a sustainability report.

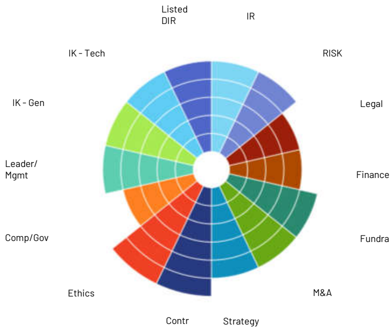
PRINCIPLES AND RECOMMENDATIONS	COMPLY (YES/NO)	EXPLANATION
Principle 8: Remunerate fairly and responsibly		
Recommendation 8.1 The board of a listed entity should: (a) have a remuneration committee which: (i) has at least three members, a majority of whom are independent directors; and (ii) is chaired by an independent director, and disclose: (iii) the charter of the committee; (iv) the members of the committee; and (v) as at the end of each reporting period, the number of times the committee met throughout the period and the individual attendances of the members at those meetings; or (b) if it does not have a remuneration committee, disclose that fact and the processes it employs for setting the level and composition of remuneration for directors and senior executives and ensuring that such remuneration is appropriate and not excessive.	PARTIAL	The full Board is responsible for the determination of the remuneration of directors and senior executives and ensuring that such remuneration is appropriate and not excessive. Where considered necessary, the Board may engage a remuneration consultant to assist with setting and reviewing the Company's executive and non-executive remuneration policies to ensure the Company attracts and retains executives and Directors who will create value for shareholders. As the Company grows in size, it is planned at the Company will establish a separate remuneration committee with its own remuneration committee charter.
Recommendation 8.2 A listed entity should separately disclose its policies and practices regarding the remuneration of non-executive directors and the remuneration of executive directors and other senior executives and ensure that the different roles and responsibilities of non-executive directors compared to executive directors and other senior executives are reflected in the level and composition of their remuneration.	YES	The Company discloses details in its Annual Report and any prospectus of remuneration paid to executive and non-executive directors. The maximum aggregate annual remuneration payable to non-executive directors is set by shareholders in general meeting in accordance with the Company's constitution.
Recommendation 8.3 A listed entity which has an equity-based remuneration scheme should: (a) have a policy on whether participants are permitted to enter into transactions (whether through the use of derivatives or otherwise) which limit the economic risk of participating in the scheme; and (b) disclose that policy or a summary of it.	YES	The Company has adopted a Security Trading Policy to regulate the manner in which directors and employees may trade in Company securities in accordance with the insider trading prohibitions of the Corporation Act 2001 (Cth). The Security Trading Policy prohibits directors and restricted employees from using derivatives or other products to limit the economic risk of holding unvested Company Securities or Company Securities subject to holding lock.

OliveX Holdings Limited
Board Skills Matrix
FY2022

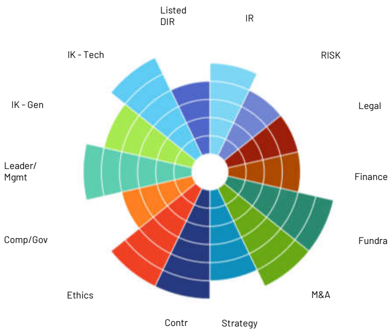
The Board Skills Matri x is based on self-reported review and on the Company's near term objectives. Ratings from 0 to 5 (1 being 'completely unfamiliar or inexperienced' and 5 being 'Expert')

Sonny Vu

Keith Rumjahn



Yat Siu



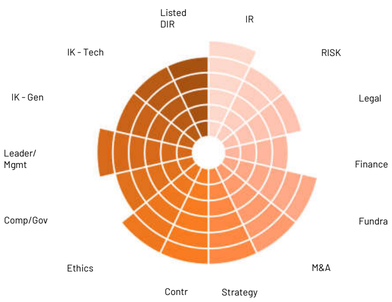
David Do

Maya McGuire

Legend

Listed Dir = Listed Director Experienced
IK - Tech = Inmdustry knowledge - Technical
IK - Gen = Industry knowledge - General
Leader/Mgmt = Leadership & Management
Comp/Gov = Compliance & Governance
Ethics = Ethics & Integrity
Cont = Contribution
Strategy = Strategy
M&A = Mergers & Acquisitions
Fundr = Fundraising
Finance - Finance
Legal = Legal
Risk = Risk Management
IR = Investor Relations

Board Total



Board Targets

Additional Information for Listed Public Companies

The following additional information is required by the NSX in respect of listed public companies and is applicable as at 20 September 2022.

1 Capital

a. Ordinary share capital

95,413,179 ordinary fully paid shares held by 246 shareholders.

b. Options over Unissued Shares and Performance Rights

- The Company has an additional 6,670,200 options on issue in accordance with section 10.1 of the Directors' Report
- The Company has 2,366,468 performance rights on issue, being 210,779 Tranche A Performance Rights, 316,168 Tranche B Performance Rights, 237,126 Tranche C Performance Rights, 355,688 Tranche D Performance Rights, 302,993 Tranche E Performance Rights, 454,488 Tranche F Performance Rights, 16,250 service provider rights and 472,976 MD Performance Rights.

c. Voting Rights

The voting rights attached to each class of equity security are as follows:

- **Ordinary shares**: Each ordinary share is entitled to one vote when a poll is called, otherwise each member present at a meeting or by proxy has one vote on a show of hands.
- **Unlisted Options:** Options do not entitle the holders to vote in respect of that equity instrument, nor participate in dividends, when declared, until such time as the options are exercised and subsequently registered as ordinary shares.
- **Performance Rights:** Performance Rights do not entitle the holders to vote in respect of that equity instrument, nor participate in dividends, when declared, until such time as the Performance Right convert and subsequently registered as ordinary shares.

d. Substantial Shareholders as at 20 September 2022.

Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
Animoca Brands Limited	32,100,908	33.64
Keith Rumjahn	6,733,543	7.06

e. Distribution of Shareholders as at 20 September 2022.

Category (size of holding)	Total Holders	Number Ordinary	% Held of Issued Ordinary Capital
1 – 1,000	5	5,000	0.01
1,001 – 5,000	32	110,150	0.12
5,001 – 10,000	15	125,249	0.13
10,001 – 100,000	107	4,975,825	5.22
100,001 – and over	87	90,196,955	94.53
	246	95,413,179	100.00

f. Unmarketable Parcels as at 20 September 2022

As at 20 September 2022 there were 5 shareholders holding less than a marketable parcel of shares.

g. On-Market Buy-Back

There is no current on-market buy-back.

h. Restricted Securities

As at 20 September 2022 the following securities are subject to escrow:

- 1,916,335 Ordinary Fully Paid Shares escrowed until 1 January 2023

Additional Information for Listed Public Companies

- 6,670,200 unquoted options exercisable at $0.20 each escrowed for a period of 24 months from listing date

i. 20 Largest Shareholders — Ordinary Shares as at as at 20 September 2022

Rank	Name	Number of Ordinary Fully Paid Shares Held	% Held of Issued Ordinary Capital
1	ANIMOCA BRANDS LIMITED	32,100,908	33.64
2	KEITH RUMJAHN	6,733,543	7.06
3	NATIONAL NOMINEES LIMITED	3,400,000	3.56
4	WIMALEX PTY LTD	3,310,001	3.47
5	ALLIED OCEAN VENTURES LIMITED	3,000,000	3.14
6	SONNY VU	2,715,742	2.85
7	SAF MANAGEMENT PTY LTD	2,580,001	2.70
8	MR ADRIAN HON	2,172,422	2.28
9	MR NICHOLAS DOHERTY	1,960,270	2.05
10	GYM AESTHETICS GMBH	1,666,667	1.75
11	ONEFOOTBALL GMBH	1,350,000	1.41
12	JACKIE AU YEUNG	1,249,999	1.31
13	YAT SIU	1,240,065	1.30
14	POLJAM PTY LTD	900,000	0.94
15	PONDEROSA INVESTMENTS (WA) PTYLTD	852,185	0.89
16	CLELAND PROJECTS PTY LTD	840,336	0.88
16	PAUL JOHN PHEBY	840,336	0.88
17	MR MARK LEAR POLLASKY	825,000	0.86
18	MR HYUNGCHEOL LIM	751,675	0.79
19	FIRST TRUSTEE COMPANY (NZ) LIMITED	750,000	0.79
19	GORGEOUS STAR VENTURES LIMITED	750,000	0.79
20	SIMON CHARLES DOHERTY	710,271	0.74
20	MR NICHOLAS JAMES DOHERTY	710,271	0.74
20	MS JACQUELINE GRACE DOHERTY	710,271	0.74
	TOTAL	**72,119,963**	**75.59**

2 Unquoted Securities

As at 20 September 2022, the following unquoted securities are on issue:

- 210,779 Tranche A Performance Rights – 6 holders

a. Holders with more than 20%

Name	Number	%
Mr Adrian Hon	124,422	59.03

- 316,168 Tranche B Performance Rights – 6 holders

Additional Information for Listed Public Companies

a. Holders with more than 20%

Name	Number	%
Mr Adrian Hon	186,632	59.03

- 237,126 Tranche C Performance Rights – 6 Holders

a. Holders with more than 20%

Name	Number	%
Mr Adrian Hon	139,974	59.03

- 355,688 Tranche D Performance Rights – 6 Holders

a. Holders with more than 20%

Name	Number	%
Mr Adrian Hon	209,961	59.03

- 302,933 Tranche E Performance Rights – 6 Holders

a. Holders with more than 20%

Name	Number	%
Mr Adrian Hon	178,856	59.03

- 454,488 Tranche F Performance Rights – 6 Holders

a. Holders with more than 20%

Name	Number	%
Mr Adrian Hon	268,283	59.03

- 1,060,000 Class A Director Options expiring 24 August 2023 @ $0.20 – 5 holders

a. Holders with more than 20%

Name	Number	%
Yat Siu	250,000	23.58
Tri-Nation Holdings Pty Ltd <KRIS FAMILY A/C>	250,000	23.58
Sonny Vu	250,000	23.58
Keith Rumjahn	250,000	23.58

- 1,060,000 Class B Director Options expiring 24 August 2024 @ $0.20 – 5 holders

a. Holders with more than 20%

Name	Number	%
Yat Siu	250,000	23.58
Tri-Nation Holdings Pty Ltd <KRIS FAMILY A/C>	250,000	23.58
Sonny Vu	250,000	23.58
Keith Rumjahn	250,000	23.58

Additional Information for Listed Public Companies

- 750,000 Class C Director Options expiring 24 August 2025 @ $0.20 – 3 holders

a. Holders with more than 20%

Name	Number	%
Yat Siu	250,000	33.33
Sonny Vu	250,000	33.33
Keith Rumjahn	250,000	33.33

- 3,800,200 Options expiring 24 August 2023 @ $0.20 – 3 holders

a. Holders with more than 20%

Name	Number	%
ACN 627 852 797 Pty Ltd	1,900,000	50.66
Taycol Nominees Pty Ltd	1,800,000	48.00

2 The Joint Company Secretaries are Joel Ives and Marshall Lee

3 **Principal registered office**

As disclosed in the Corporate Directory on page 2 of this Annual Report.

4 **Registers of securities**

As disclosed in the Corporate Directory on page 2 of this Annual Report.

5 **Stock exchange listing**

Quotation has been granted for all the ordinary shares of the Company on all Member Exchanges of the National Stock Exchange Limited, as disclosed in the Corporate Directory on page 2 of this Annual Report.

6 **Use of funds**

The Company confirms it has used its cash and assets in a form readily convertible to cash that it had at the time of admission and to the end of the reporting period, consistently with its business objectives.