



For personal use only



# **Entyr Limited**

**ABN 90 118 710 508**

**Appendix 4D and**

**Condensed Consolidated Financial Statements**

**For the half year ended 31 December 2022**

## Contents

|  | Page |
|--|------|
| <b>Interim Financial Statements</b>  |      |
| Results for Announcement to the Market   | 3    |
| Directors' Report  | 4    |
| Auditor's Independence Declaration under Section 307C of the Corporations Act 2001 | 7    |
| Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income  | 8    |
| Condensed Consolidated Statement of Financial Position                             | 9    |
| Condensed Consolidated Statement of Changes in Equity                              | 10   |
| Condensed Consolidated Statement of Cash Flows                                     | 11   |
| Notes to the Condensed Financial Statements  | 12   |
| Directors' Declaration   | 20   |
| Independent Auditor's Review Report  | 21   |

For personal use only

Results for Announcement to the Market  
For the Half Year Ended 31 December 2022

**1. Results for Announcement to Market**

| \$'000 AUD  |         | 2022         | 2021         |
|---|---------|--------------|--------------|
| Revenues from ordinary activities   | Up 193% | 2,515        | 859          |
| Loss from ordinary activities before tax                                  | Up 49%  | 8,705        | 5,831        |
| Loss from ordinary activities attributable to the owners of Entyr Limited | Up 19%  | 7,147        | 5,990        |
| Loss for the half year attributable to the owners of Entyr Limited        | Up 19%  | <b>7,147</b> | <b>5,990</b> |

**2. Net tangible assets**

| Cents                                     |  | 2022 | 2021 |
|---|--|------|------|
| Net tangible assets per ordinary security |  | 0.55 | 0.94 |

**3. Control gained over entities**

Not applicable.

**4. Loss of control over entities**

Not applicable.

**5. Dividends**

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

**6. Dividend reinvestment plans**

Not applicable.

## Director's Report

For the Half Year Ended 31 December 2022

The directors submit the interim financial report of the Group for the half year ended 31 December 2022.

### 1. General information

#### Information on directors

The names of each person who has been a director during the half year and to the date of this report are:

- Mr Michael Barry – Non-Executive Chairman
- Mr Brian Mumme - Non-Executive Director (resigned from the Board, 15 February 2023)
- Mr Brad Mytton - Non-Executive Director (resigned from the Board, 24 August 2022)
- Mr Michael Barrett – Non-Executive Director (resigned from the Board, 15 February 2023)
- Mr Lindsay Barber – Non-Executive Director
- Ms Teresa Dyson – Non-Executive Director (appointed to the Board, 15 February 2023)
- Ms Leeanne Bond – Non-Executive Director (appointed to the Board, 15 February 2023)

Directors have been in office since the start of the financial half year to the date of this report unless otherwise stated.

### 2. Operating results and review of operations for the year

#### Review of operations

A review of the operations of the Group during the half year and the results of those operations show:

#### Principal Activities

Entyr Limited ("Entyr") is a clean conversion technology company that applies unique thermal desorption technology to convert end of life tyres into valuable secondary products being fuel oil, steel, carbon char and energy. Entyr holds Australia's first environmental approvals to operate and process rubber through its thermal treatment plant.

Entyr's technology is a significant advancement on other methods of processing waste tyres. It has low emissions, no hazardous waste products, requires no chemical intervention and is the only process operational that meets the standard emissions criteria set by the Australian regulators for this type of technology.

#### Financial results

For the half-year ended 31 December 2022 the Group delivered a loss before tax of \$8,705,864 (31 December 2021: \$5,831,492 loss) as the company continues to develop and ramp up towards commercial operations.

Revenues for the period of \$2,515,566 (31 December 2021: \$858,902) increased by 193% for the six months year-on-year due primarily to increased volumes and higher pricing from inbound tyres. The increase in inbound volumes was due to the company securing its supply to enable a ramp up towards commercial volumes in H2 FY2023.

Operating expenses for the period of \$6,064,406 (31 December 2021: \$3,147,334) increased due to an additional operational thermal desorption unit during the period, bulk shredding and disposal costs from higher inbound tyre volumes and the expansion and upskilling of the operational labour force to support commercial operations. The current six month period reflects the full operational cost base prior to the completion of key site infrastructure which will enable higher processing volumes and deliver operational efficiencies.

## Director's Report

For the Half Year Ended 31 December 2022

### Financial position

The net assets of the Group have decreased from 30 June 2022 by \$4,858,825 to \$9,558,593 at 31 December 2022. As at 31 December 2022, the Group's cash and cash equivalents decreased from 30 June 2022 by \$675,028 to \$945,441 (30 June 2022: \$1,620,469).

### Dividends

No dividends paid, recommended or declared during the reporting period.

### Operational Highlights

During the period the primary focus of management was to prepare the business for commercial operations in H2 FY2023 through the acquisition and installation of critical site infrastructure and the sourcing, development and retention of operational employees.

The Rasper and Fuel Management System were installed during the period with the final payments made for the inline shredding system which was delivered to site early January 2023.

The Rasper has, as anticipated, significantly reduced the volume of steel being processed through the Thermal Desorption Unit's (TDU's) and is improving fuel yields and unit availability. The Fuel Management System has improved fuel quality, increased onsite storage capacity, improved efficiencies by reducing manual handling requirements and reduced the risk of spills onsite.

The Group was successful in recruiting and upskilling operational employees during the period despite a highly competitive labour market. As a result the Company was able to commence 24/7 operations during the period as it moves towards commercialisation.

Interest in Entyr's products and offtake markets continue to gain momentum with a number of agreements in place and opportunities for expansion into new jurisdictions being considered.

The Groups commercialisation timelines have always been aggressive and it actively seeks to manage its delivery risk where possible. Uncontrolled delays to its infrastructure program due to global supply chain constraints, a continuously competitive labour market and increasing input costs could result in higher cash burn rates than anticipated and the Group actively monitors its ongoing cash requirements.

### Subsequent Events

On 10 January 2023 shareholders approved Tranche 2 of November 2022's placement for \$4.2m net of issue costs (296,724,650 ordinary shares) at a general meeting. This included the approval for the participation of directors Mr Michael Barry and Mr Lindsay Barber in the placement.

On the 15<sup>th</sup> February 2023 the Company announced a restructure to its Board to support the transition to full commercial operations. Ms Teresa Dyson and Ms Leeanne Bond were appointed to the Entyr Board with Mr Michael Barrett and Mr Brian Mumme announcing their retirement.

No other matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

### Rounding of amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the directors' report and in the financial report have been rounded to the nearest one thousand dollars, or in certain cases, to the nearest dollar (where indicated).

## Director's Report

For the Half Year Ended 31 December 2022

### 3. Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the half year ended 31 December 2022 has been received and can be found on page 7 of the interim financial report.

This report is signed in accordance with a resolution of the Board of Directors pursuant to section 306(3)(a) of the *Corporations Act 2001*.

Director:



Dated this 23rd day of February 2023

The Directors  
Entyr Limited  
Unit 19, 69 Burnside Road  
STAPYLTON QLD 4207

### Auditor's Independence Declaration

In relation to the independent auditor's review for the half-year ended 31 December 2022, to the best of my knowledge and belief there have been:

- (i) no contraventions of the auditor independence requirements of the *Corporations Act 2001*; and
- (ii) no contraventions of APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)*.

This declaration is in respect of Entyr Limited and the entities it controlled during the period.

*Pitcher Partners*

PITCHER PARTNERS



DAN COLWELL  
Partner

Brisbane, Queensland

23 February 2023

For personal use only

## Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2022

| \$'000 AUD                                       | Note | 31 Dec 2022    | 31 Dec 2021    |
|--|------|----------------|----------------|
| Revenue  | 6    | 2,515          | 859            |
| Other income                                     | 6    | 118            | 116            |
| Operating Expenses                               |      | (6,064)        | (3,147)        |
| Employee benefit expense                         |      | (1,391)        | (1,357)        |
| Other expenses                                   |      | (1,702)        | (1,351)        |
|  |      | <b>(6,524)</b> | <b>(4,880)</b> |
| Depreciation and amortisation expense            |      | (1,698)        | (822)          |
| Impairment expense                               |      | (300)          | -              |
| Finance costs                                    |      | (183)          | (129)          |
| <b>Operating loss before tax</b>                 |      | <b>(8,705)</b> | <b>(5,831)</b> |
| Income tax benefit/(expense)                     |      | 1,558          | (159)          |
| <b>Operating loss for the period</b>             |      | <b>(7,147)</b> | <b>(5,990)</b> |
| Items of Comprehensive Income                    |      | -              | -              |
| <b>Total Comprehensive Income for the Period</b> |      | <b>(7,147)</b> | <b>(5,990)</b> |
| <b>Earnings per share</b>                        |      |                |                |
| Basic & diluted loss per share (cents per share) | 7    | (0.66)         | (1.20)         |

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



Condensed Consolidated Statement of Financial Position  
As at 31 December 2022

| \$'000 AUD  | Note | 31 Dec 2022   | 30 Jun 2022   |
|---|------|---------------|---------------|
| <b>ASSETS</b>   |      |               |               |
| <b>Current Assets</b>                                   |      |               |               |
| Cash and cash equivalents                               | 8    | 945           | 1,620         |
| Other Financial Assets                                  | 9    | -             | 317           |
| Trade and other receivables                             | 10   | 707           | 9,659         |
| Inventory   | 11   | 28            | 40            |
| Other assets  | 12   | 71            | 250           |
|   |      | 1,751         | 11,886        |
| Assets classified as held for sale                      | 13   | 400           | 700           |
| <b>Total current assets</b>                             |      | <b>2,151</b>  | <b>12,586</b> |
| <b>Non-Current Assets</b>                               |      |               |               |
| Property, plant & equipment                             | 14   | 7,555         | 6,038         |
| Intangible assets                                       | 15   | 3,143         | 3,254         |
| Right-of-use asset                                      | 16   | 1,785         | 2,035         |
| Other Financial Assets                                  | 9    | 339           | -             |
| Other assets  | 12   | 195           | -             |
| <b>Total non-current assets</b>                         |      | <b>13,017</b> | <b>11,327</b> |
| <b>Total assets</b>                                     |      | <b>15,168</b> | <b>23,913</b> |
| <b>LIABILITIES</b>                                      |      |               |               |
| <b>Current Liabilities</b>                              |      |               |               |
| Trade and other payables                                | 17   | 2,155         | 3,162         |
| Provisions  | 18   | 899           | 1,089         |
| Financial liabilities                                   | 19   | 72            | 1,060         |
| Lease liabilities                                       | 20   | 1,033         | 1,066         |
| <b>Total current liabilities</b>                        |      | <b>4,159</b>  | <b>6,377</b>  |
| <b>Non-Current Liabilities</b>                          |      |               |               |
| Provisions  | 18   | 65            | -             |
| Financial liabilities                                   | 19   | 371           | 365           |
| Lease liabilities                                       | 20   | 1,014         | 1,195         |
| Deferred tax  |      | -             | 1,558         |
| <b>Total non-current liabilities</b>                    |      | <b>1,450</b>  | <b>3,118</b>  |
| <b>Total liabilities</b>                                |      | <b>5,609</b>  | <b>9,495</b>  |
| <b>Net assets</b>                                       |      | <b>9,559</b>  | <b>14,418</b> |
| <b>EQUITY</b>   |      |               |               |
| <b>Equity attributable to the holders of the parent</b> |      |               |               |
| Issued Capital  | 21   | 51,721        | 49,495        |
| Options reserve   | 21   | 82            | 20            |
| Accumulated losses                                      |      | (42,244)      | (35,097)      |
| <b>Total equity</b>                                     |      | <b>9,559</b>  | <b>14,418</b> |

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

## Condensed Consolidated Statement of Changes in Equity

For the Half Year ended 31 December 2022

| Consolidated Equity<br>31 December 2022<br>\$'000 AUD | Note | Issued<br>capital | Option reserve | Accumulated<br>losses | Total equity   |
|---|------|-------------------|----------------|-----------------------|----------------|
| <b>Balance as at 1 July 2022</b>                      |      | 49,495            | 20             | (35,097)              | 14,418         |
| Operating Loss for the period                         |      | -                 | -              | (7,147)               | (7,147)        |
| <b>Total comprehensive loss for the period</b>        |      | -                 | -              | <b>(7,147)</b>        | <b>(7,147)</b> |
| Transactions with owners in their capacity as owners: |      |                   |                |                       |                |
| Shares issued during the period                       | 21   | 2,369             | -              | -                     | 2,369          |
| Share costs   | 21   | (143)             | -              | -                     | (143)          |
| Shared based payments                                 | 21   | -                 | 62             | -                     | 62             |
| <b>Balance as at 31 December 2022</b>                 |      | <b>51,721</b>     | <b>82</b>      | <b>(42,244)</b>       | <b>9,559</b>   |

| Consolidated Equity<br>31 December 2021<br>\$'000 AUD | Note | Issued<br>Capital | Option reserve | Accumulated<br>losses | Total equity   |
|---|------|-------------------|----------------|-----------------------|----------------|
| <b>Balance as at 1 July 2021</b>                      |      | 32,813            | 235            | (26,881)              | 6,167          |
| Operating Loss for the period                         |      | -                 | -              | (5,990)               | (5,990)        |
| <b>Total comprehensive loss for the period</b>        |      | -                 | -              | <b>(5,990)</b>        | <b>(5,990)</b> |
| Transactions with owners in their capacity as owners: |      |                   |                |                       |                |
| Shares issued during the period                       | 21   | 5,869             | -              | -                     | 5,869          |
| Share costs   | 21   | (231)             | -              | -                     | (231)          |
| Shared based payments                                 | 21   | 3,375             | 15             | -                     | 3,390          |
| <b>Balance as at 31 December 2021</b>                 |      | <b>41,826</b>     | <b>250</b>     | <b>(32,871)</b>       | <b>9,205</b>   |

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

## Condensed Consolidated Statement of Cash Flows

For the Half Year ended 31 December 2022

| \$'000 AUD  | Note | 31 Dec 2022    | 31 Dec 2021    |
|---|------|----------------|----------------|
| <b>Cash flows from operating activities</b>               |      |                |                |
| Receipts from customers                                   |      | 2,826          | 949            |
| Payments to suppliers and employees                       |      | (10,428)       | (5,505)        |
| Interest received   |      | 8              | -              |
| Interest paid   |      | (183)          | (123)          |
| Government grants and subsidies                           |      | -              | 100            |
| Tax refund from research and development                  |      | 8,943          | -              |
| <b>Net cash flows from/(used in) operating activities</b> |      | <b>1,166</b>   | <b>(4,579)</b> |
| <b>Cash flows from investing activities</b>               |      |                |                |
| (Payments for)/Return of deposits and bonds               |      | (22)           | 81             |
| Purchase of property, plant and equipment                 |      | (2,462)        | (1,518)        |
| Cash acquired from investment in subsidiary               |      | -              | 61             |
| <b>Net cash outflows used in investing activities</b>     |      | <b>(2,484)</b> | <b>(1,376)</b> |
| <b>Cash flows from financing activities</b>               |      |                |                |
| Proceeds from issue of shares                             |      | 2,369          | 5,845          |
| Share issue costs   |      | (143)          | (231)          |
| Proceeds from borrowings                                  |      | 4,750          | -              |
| Repayment of borrowings                                   |      | (5,780)        | (219)          |
| Repayment of lease principal                              |      | (553)          | (320)          |
| <b>Net cash inflows from financing activities</b>         |      | <b>643</b>     | <b>5,075</b>   |
| Net decrease in cash and cash equivalents held            |      | (675)          | (880)          |
| Cash and cash equivalents at beginning of the half year   |      | 1,620          | 2,955          |
| <b>Cash and cash equivalents at end of the half year</b>  |      | <b>945</b>     | <b>2,075</b>   |

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

## Notes to the Condensed Financial Statements

For the Half Year Ended 31 December 2022

The interim financial report covers Entyr Limited and its controlled entities ('the Group'). Entyr Limited is a for-profit Company limited by shares, incorporated and domiciled in Australia.

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 24 February 2023.

Comparative data is in respect of the 6 months to 31 December 2021 unless otherwise stated and are consistent with prior periods, unless otherwise stated.

### 1. Basis of Preparation

This condensed consolidated interim financial report for the reporting period ending 31 December 2022 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

The condensed consolidated interim financial report is intended to provide users with an update on the latest annual financial statements of Entyr Limited and controlled entities (the Group). As such it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. This condensed consolidated financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2022, together with any public announcements made during the half year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

### 2. Rounding of amounts

In accordance with ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, the amounts in the directors' report and in the financial report have been rounded to the nearest one thousand dollars, or in certain cases, to the nearest dollar (where indicated).

### 3. Adoption of new and revised accounting standards

The Group has adopted all of the new or amended accounting Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are mandatory for the current reporting period. Any new or amended accounting standards or interpretations that are not yet mandatory have not been early adopted.

### 4. Going Concern

The Directors have prepared the financial statements on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

The Group has incurred a net loss after tax for the half year ended 31 December 2022 of \$7,147,000 (2021: \$5,990,000). As at 31 December 2022 the Group's current liabilities exceeded its current assets by \$2,008,000. For the half year ended 31 December 2022 the Group reported an operating cash outflow, excluding tax refunds for research and development, of \$7,777,000 (2021: \$4,579,000).

As at 31 December 2022, the net assets of the Group were \$9,559,000 (2021: \$9,205,000).

## Notes to the Condensed Financial Statements

For the Half Year Ended 31 December 2022

On 10 January 2023 shareholders approved Tranche 2 of November 2022's placement for \$4.2m net of issue costs at a general meeting. These funds were received mid-January 2023. This included the approval for the participation of directors Mr Michael Barry and Mr Lindsay Barber in the placement.

Furthermore, since reporting date, the group has been granted an Australian patent for its unique thermal desorption process and been issued International Sustainability & Carbon Certification (ISCC) accreditation for its Tyre Derived Fuel Oil (TDFO) and recovered carbon black (rCB), providing further validation of its products. Offtake markets continue to be secured with a clear pipeline of demand identified and supply agreements in place for Stapylton's production output.

Production volumes are anticipated to ramp up towards the end of the first quarter of FY2023 as the Company looks to deliver commercial scale volumes as the key infrastructure investments are completed at the Stapylton site.

Until such time as the Group's revenues grow to a level that is sufficient to enable the Group to meet its ongoing financial commitments as they fall due the Group will remain reliant on its ability to secure funds by raising capital from debt and equity markets, and the capacity to manage both operating cash flow and capital expenditure to align with available funds.

These conditions indicate a material uncertainty that may cast significant doubt about the ability of the Group to continue as a going concern. In the event the above matters are not achieved, the Group will be required to raise funds for working capital from debt or equity sources.

The directors have prepared a cash flow forecast, which anticipates that the Group will have a pathway to sufficient cash flows to meet all commitments and working capital requirements for the 12-month period from the date of signing this financial report.

Based on the cash flow forecasts and other factors referred to above, the directors are satisfied that the going concern basis of preparation is appropriate. In particular, given the Group's history of raising capital to date, the directors are confident of the Group's ability to raise additional funds as and when they are required.

Should the Group be unsuccessful in securing additional debt or equity capital it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts different to those stated in the financial statements. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or to the amount and classification of liabilities that might result should the Group be unable to continue as a going concern and meet its debts as and when they fall due.

# Entyr Limited

## Notes to the Financial Statements

For the Half Year Ended 31 December 2022

### 5. Operating Segments

| <b>\$'000 AUD</b><br><b>31 December 2022</b> | Tyre processing | Manufacturing  | Unallocated    | Total          |
|--|-----------------|----------------|----------------|----------------|
| Sales to external customers                  | 2,279           | 236            | -              | 2,515          |
| Other income                                 | 9               | 52             | 57             | 118            |
| <b>Total revenue and other income</b>        | <b>2,288</b>    | <b>288</b>     | <b>57</b>      | <b>2,633</b>   |
| <b>EBITDA</b>                                | <b>(795)</b>    | <b>(3,489)</b> | <b>(2,240)</b> | <b>(6,524)</b> |
| Depreciation and amortisation                | (150)           | (1,417)        | (131)          | (1,698)        |
| Impairment                                   | (300)           | -              | -              | (300)          |
| Finance costs                                | (19)            | (113)          | (51)           | (183)          |
| Income tax benefit                           | -               | -              | 1,558          | 1,558          |
| <b>Segment operating loss</b>                | <b>(1,264)</b>  | <b>(5,019)</b> | <b>(864)</b>   | <b>(7,147)</b> |
| <b>Segment assets</b>                        | 2,155           | 9,018          | 3,995          | 15,168         |
| <b>Segment liabilities</b>                   | (1,638)         | (3,268)        | (703)          | (5,609)        |
| <b>Net assets as at 31 December 2022</b>     | <b>517</b>      | <b>5,750</b>   | <b>3,292</b>   | <b>9,559</b>   |

| <b>\$'000 AUD</b><br><b>31 December 2021</b> | Tyre processing | Manufacturing  | Unallocated    | Total          |
|--|-----------------|----------------|----------------|----------------|
| Sales to external customers                  | 543             | 316            | -              | 859            |
| Other income                                 | 100             | -              | 16             | 116            |
| <b>Total revenue and other income</b>        | <b>643</b>      | <b>316</b>     | <b>16</b>      | <b>975</b>     |
| <b>EBITDA</b>                                | <b>(634)</b>    | <b>(2,109)</b> | <b>(2,137)</b> | <b>(4,880)</b> |
| Depreciation and amortisation                | (126)           | (473)          | (223)          | (822)          |
| Finance costs                                | -               | (52)           | (77)           | (129)          |
| Income tax expense                           | -               | (159)          | -              | (159)          |
| <b>Segment operating loss</b>                | <b>(760)</b>    | <b>(2,793)</b> | <b>(2,437)</b> | <b>(5,990)</b> |
| <b>Segment assets</b>                        | 2,181           | 7,784          | 13,948         | 23,913         |
| <b>Segment liabilities</b>                   | (1,263)         | (4,089)        | (4,143)        | (9,495)        |
| <b>Net assets as at 30 June 2022</b>         | <b>918</b>      | <b>3,695</b>   | <b>9,805</b>   | <b>14,418</b>  |

# Entyr Limited

## Notes to the Financial Statements

For the Half Year Ended 31 December 2022

### 6 Revenue and Other Income

The Group has recognised the following amounts relating to revenue in the statement of profit or loss.

#### Revenue earned at a point in time

| \$'000 AUD                                  | Note | 31 Dec 2022  | 31 Dec 2021 |
|---|------|--------------|-------------|
| Revenue for collection of end-of-life tyres |      | 2,259        | 543         |
| Sales of oil derived from tyres             |      | 172          | 205         |
| Sales of carbon derived from tyres          |      | 2            | 1           |
| Sales of steel derived from tyres           |      | 20           | 30          |
| Other Operating Revenue                     |      | 62           | 80          |
| <b>Total operating revenue</b>              |      | <b>2,515</b> | <b>859</b>  |

#### Other income

| \$'000 AUD  |  | 31 Dec 2022 | 31 Dec 2021 |
|---|--|-------------|-------------|
| Federal government R&D grant – change in estimate     |  | 51          | -           |
| Fuel tax credits                                      |  | 59          | -           |
| Federal government JobKeeper & PAYG Cash Boost grants |  | -           | 100         |
| Interest and other income                             |  | 8           | 16          |
| <b>Total other income</b>                             |  | <b>118</b>  | <b>116</b>  |

The group operates from a single location in Stapylton, Queensland, and all revenue is derived from these activities.

### 7 Loss per share

#### Earnings per share

Both the basic and diluted earnings per share have been calculated using the profit attributable to shareholders of the Parent Company (Entyr Limited) as the numerator.

The reconciliation of the weighted average number of shares for the purposes of diluted earnings per share to the weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

| \$'000 AUD   | 31 Dec 2022        | 31 Dec 2021        |
|--|--------------------|--------------------|
| <b>(a) Basic earnings per share:</b>   |                    |                    |
| Loss from continuing operations attributable to owners of Entyr Limited used to calculate basic earnings per share   | (7,148)            | (5,990)            |
| <b>(b) Diluted earnings per share</b>  |                    |                    |
| Loss from continuing operations attributable to owners of Entyr Limited used to calculate diluted earnings per share | (7,148)            | (5,990)            |
| <b>Number of shares</b>  | <b>31 Dec 2022</b> | <b>31 Dec 2021</b> |
| Weighted average number of ordinary shares used as a denominator in calculating basic and diluted earnings per share | 1,079,637,570      | 498,284,704        |
| Loss per share attributable to owners of the Company:  |                    |                    |
| Basic and diluted loss per share (cents per share)   | (0.66)             | (1.20)             |

Options being potential ordinary shares were considered to be antidilutive (decreasing the loss per share disclosed) and accordingly the diluted earnings per share for these periods do not assume conversion of the options on issue.

# Entyr Limited

## Notes to the Financial Statements

For the Half Year Ended 31 December 2022

### 8. Cash and Cash Equivalents

| \$'000 AUD                        | 31 Dec 2022 | 30 Jun 2022 |
|-----------------------------------|-------------|-------------|
| <b>Cash and cash equivalents:</b> |             |             |
| Cash at bank                      | 945         | 1,620       |

Amounts held in the Company's cheque and online savings accounts attract variable rates commensurate with a business cheque and online savings account.

### 9. Other Financial Assets

| \$'000 AUD                                      | 31 Dec 2022 | 30 Jun 2022 |
|---|-------------|-------------|
| <b>Current</b>                                  |             |             |
| Term deposits                                   | -           | 317         |
| <b>Total current other financial assets</b>     | <b>-</b>    | <b>317</b>  |
| <b>Non-current</b>                              |             |             |
| Term deposits                                   | 339         | -           |
| <b>Total non-current other financial assets</b> | <b>339</b>  | <b>-</b>    |
| <b>Total</b>                                    | <b>339</b>  | <b>317</b>  |

Term deposits are held in relation to both credit card facilities and also guarantees in respect of obligations under its rental agreements.

### 10. Trade and other receivables

#### Current

| \$'000 AUD                             | 31 Dec 2022 | 30 Jun 2022  |
|--|-------------|--------------|
| Trade receivables                      | 685         | 543          |
| Provision for expected credit losses   | (29)        | (29)         |
| GST receivable                         | 51          | 253          |
| R&D tax benefit receivable             | -           | 8,892        |
| <b>Balance at end of the half-year</b> | <b>707</b>  | <b>9,659</b> |

The carrying value of trade receivables is considered a reasonable approximation of fair value due to the short-term nature of the balances. The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable in the financial statements.

### 11. Inventory

| \$'000 AUD                             | 31 Dec 2022 | 30 Jun 2022 |
|--|-------------|-------------|
| At net realisable value                | 28          | 40          |
| <b>Balance at end of the half-year</b> | <b>28</b>   | <b>40</b>   |

Inventory includes the company's stocks of recovered carbon black and tyre derived fuel oil. Inventory is recognised at net realisable value to reflect the pricing discount necessary to gain entry into certain markets

### 12. Other Assets

| \$'000 AUD                            | 31 Dec 2022 | 30 Jun 2022 |
|---------------------------------------|-------------|-------------|
| <b>Current</b>                        |             |             |
| Prepayments and rental bonds          | 71          | 250         |
| <b>Total current other assets</b>     | <b>71</b>   | <b>250</b>  |
| <b>Non-Current</b>                    |             |             |
| Prepayments and rental bonds          | 195         | -           |
| <b>Total non-current other assets</b> | <b>195</b>  | <b>-</b>    |
| <b>Total</b>                          | <b>266</b>  | <b>250</b>  |



# Entyr Limited

## Notes to the Financial Statements

For the Half Year Ended 31 December 2022

### 13. Assets classified as held for sale

| \$'000 AUD          | 31 Dec 2022 | 30 Jun 2022 |
|---------------------|-------------|-------------|
| Plant and equipment | 400         | 700         |

The Group is currently in discussions with prospective buyers for the sale of an industrial mobile shredder. The shredder's carrying value was impaired by \$300,000 to reflect the estimated sales price.

### 14. Property, plant and equipment

| \$'000 AUD                                 | 31 Dec 2022  | 30 Jun 2022  |
|--|--------------|--------------|
| Capital work-in-progress                   |              |              |
| Cost                                       | 1,625        | -            |
| <b>Balance at the end of the period</b>    | <b>1,625</b> | <b>-</b>     |
| Plant and equipment                        |              |              |
| Cost                                       | 9,096        | 8,288        |
| Accumulated depreciation                   | (3,679)      | (2,762)      |
| <b>Balance at the end of the period</b>    | <b>5,417</b> | <b>5,526</b> |
| Other equipment                            |              |              |
| Cost                                       | 640          | 603          |
| Accumulated depreciation                   | (127)        | (91)         |
| <b>Balance at the end of the period</b>    | <b>513</b>   | <b>512</b>   |
| <b>Total property, plant and equipment</b> | <b>7,555</b> | <b>6,038</b> |

#### Movements in Carrying Amounts

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial half year:

| \$ AUD                                    | Capital work-in-progress | Plant & equipment | Other equipment | Total        |
|---|--------------------------|-------------------|-----------------|--------------|
| Written down value                        |                          |                   |                 |              |
| Balance at 1 July 2022                    | -                        | 5,526             | 512             | 6,038        |
| Additions                                 | 1,625                    | 800               | 37              | 2,462        |
| Reclassification from right-to-use assets | -                        | 68                | -               | 68           |
| Depreciation                              | -                        | (977)             | (36)            | (1,013)      |
| <b>Balance at 31 December 2022</b>        | <b>1,625</b>             | <b>5,417</b>      | <b>513</b>      | <b>7,555</b> |

### 15. Intangible Assets

| \$'000 AUD                              | 31 Dec 2022  | 30 Jun 2022 <sup>1</sup> |
|---|--------------|--------------------------|
| Intellectual property at cost           | 3,365        | 3,365                    |
| Accumulated amortisation                | (222)        | (111)                    |
| <b>Balance at the end of the period</b> | <b>3,143</b> | <b>3,254</b>             |
| Movements in written down value         |              |                          |
| Balance at the beginning of the period  | 3,254        | -                        |
| Acquired at cost                        | -            | 3,365                    |
| Amortisation                            | (111)        | (111)                    |
| <b>Balance at the end of the period</b> | <b>3,143</b> | <b>3,254</b>             |

<sup>1</sup>Movement for the full year ended 30 June 2022

# Entyr Limited

## Notes to the Financial Statements

For the Half Year Ended 31 December 2022

### 16. Right-of-use assets

| \$'000 AUD  | 31 Dec 2022  | 30 Jun 2022 <sup>1</sup> |
|---|--------------|--------------------------|
| Cost  | 4,271        | 3,951                    |
| Accumulated depreciation                          | (2,486)      | (1,916)                  |
| <b>Balance at the end of the period</b>           | <b>1,785</b> | <b>2,035</b>             |
| <i>Movements</i>                                  |              |                          |
| Balance at beginning of the period                | 2,035        | 2,032                    |
| Recognition of right-to-use assets                | 392          | 1,198                    |
| Depreciation                                      | (574)        | (1,094)                  |
| Reclassification to property, plant and equipment | (68)         | (101)                    |
| <b>Balance at the end of the period</b>           | <b>1,785</b> | <b>2,035</b>             |

<sup>1</sup>Movement for the full year ended 30 June 2022

### 17. Trade and Other Payables

| \$'000 AUD                              | 31 Dec 2022  | 30 Jun 2022  |
|---|--------------|--------------|
| Trade payables                          | 1,899        | 1,940        |
| GST/ PAYG payables                      | 206          | 101          |
| Other payables                          | 50           | 1,121        |
| <b>Balance at the end of the period</b> | <b>2,155</b> | <b>3,162</b> |

Trade and other payables are unsecured, non-interest bearing and are normally settled within 30 days. The carrying value of trade and other payables is considered a reasonable approximation of fair value due to the short-term nature of the balances.

### 18. Provisions

| \$'000 AUD                          | 31 Dec 2022 | 30 Jun 2022  |
|-------------------------------------|-------------|--------------|
| <i>Current</i>                      |             |              |
| Environmental provision             | 597         | 730          |
| Employee Entitlements               | 302         | 359          |
| <b>Total current provisions</b>     | <b>899</b>  | <b>1,089</b> |
| <i>Non-current</i>                  |             |              |
| Employee Entitlements               | 65          | -            |
| <b>Total non-current provisions</b> | <b>65</b>   | <b>-</b>     |
| <b>Total</b>                        | <b>964</b>  | <b>1,089</b> |

### 19. Financial Liabilities

| \$'000 AUD                          | 31 Dec 2022 | 30 Jun 2022  |
|-------------------------------------|-------------|--------------|
| <i>Current</i>                      |             |              |
| Financial liabilities               | 72          | 1,060        |
| <b>Total current borrowings</b>     | <b>72</b>   | <b>1,060</b> |
| <i>Non-Current</i>                  |             |              |
| Financial liabilities               | 371         | 365          |
| <b>Total non-current borrowings</b> | <b>371</b>  | <b>365</b>   |
| <b>Total</b>                        | <b>443</b>  | <b>1,425</b> |

# Entyr Limited

## Notes to the Financial Statements

For the Half Year Ended 31 December 2022

Financial liabilities relate to asset loans used to acquire vehicles and other mobile plant. The loans and accrued interest are repaid through monthly instalments over five years. The plant and vehicles are secured against the loans.

### 20. Lease Liabilities

| \$'000 AUD                              | 31 Dec 2022  | 30 Jun 2022  |
|---|--------------|--------------|
| <b>Current</b>                          |              |              |
| Lease liabilities - current             | 1,033        | 1,066        |
| <b>Balance at the end of the period</b> | <b>1,033</b> | <b>1,066</b> |
| <b>Non-Current</b>                      |              |              |
| Lease liabilities – non-current         | 1,014        | 1,195        |
| <b>Balance at the end of the period</b> | <b>1,014</b> | <b>1,195</b> |
| <b>Total</b>                            | <b>2,047</b> | <b>2,261</b> |

### 21. Issued Capital

#### Share capital

The share capital of Entyr Limited consists only of fully paid ordinary shares; the shares do not have a par value. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of Entyr Limited.

#### Ordinary Shares as at 31 December 2022

| Consolidated                                    | 31 Dec 2022          | 31 Dec 2021        | 31 Dec 2022   | 31 Dec 2021   |
|---|----------------------|--------------------|---------------|---------------|
|   | No. shares           | No. shares         | A\$'000       | A\$'000       |
| Beginning of the financial year 1 July          | 1,053,026,429        | 371,999,198        | 49,495        | 32,813        |
| Shares issued as consideration for acquisitions | -                    | 112,500,000        | -             | 3,375         |
| Shares issued via private placement             | 157,950,000          | 167,685,739        | 2,369         | 5,869         |
| less: issue costs                               | -                    | -                  | (143)         | (231)         |
| <b>End of the reporting period</b>              | <b>1,210,976,429</b> | <b>652,184,937</b> | <b>51,721</b> | <b>41,826</b> |

#### Options Reserve as at 31 December 2022

| Consolidated                                 | 31 Dec 2022       | 31 Dec 2021      | 31 Dec 2022 | 31 Dec 2021 |
|--|-------------------|------------------|-------------|-------------|
|  | No. options       | No. options      | \$          | \$          |
| Beginning of the financial year 1 July       | 27,724,000        | 4,974,000        | 20          | 235         |
| Options issued as remuneration               | -                 | 4,000,000        | 62          | 14          |
| Options issued as consideration for services | -                 | 750,000          | -           | 1           |
| Options issued via Share Purchase Plan       | -                 | -                | -           | -           |
| <b>End of reporting period</b>               | <b>27,724,000</b> | <b>9,724,000</b> | <b>82</b>   | <b>250</b>  |

### 22. Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2022 (31 December 2021: None).

### 23. Events Occurring After the Reporting Date

On 10 January 2023 shareholders approved Tranche 2 of November 2022's placement for \$4.2m net of issue costs (296,724,650 ordinary shares) at a general meeting. This included the approval for the participation of directors Mr Michael Barry and Mr Lindsay Barber in the placement.

On the 15<sup>th</sup> February 2023 the Company announced a restructure to its Board to support as it transitions to full commercial operations. Ms Teresa Dyson and Ms Leeanne Bond were appointed to the Entyr Board with Mr Michael Barrett and Mr Brian Mumme announcing their retirement.

# Entyr Limited

## Director's Declaration

For the Half Year Ended 31 December 2022

The directors of the Company declare that:

1. The consolidated interim financial statements and notes, as set out on pages 8 to 19 are in accordance with the *Corporations Act 2001*, including:
  - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting and the *Corporations Regulations 2001*; and
  - (b) give a true and fair view of the consolidated group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors pursuant to section 303(5)(a) of the *Corporations Act 2001*.



Director .....



Director .....

Dated this 23rd day of February 2023

For personal use only

## Independent Auditor's Review Report to the Members of Entyr Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of Entyr Limited, (the "Company") and its controlled entities (the "Group"), which comprises the condensed consolidated statement of financial position as at 31 December 2022, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

#### Material Uncertainty Related to Going Concern

We draw attention to Note 4 in the financial report, which indicates that the Group incurred a net loss after tax for the half year ended 31 December 2022 of \$7,147,000 (2021: \$5,990,000). As at 31 December 2022 the Group's current liabilities exceeded its current assets by \$2,008,000. For the half year ended 31 December 2022 the Group reported an operating cash outflow, excluding tax refunds for research and development, of \$7,777,000 (2021: \$4,579,000). As stated in Note 4, these events or conditions, along with other matters as set forth in Note 4, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

For personal use only

### Responsibility of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the half-year 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 half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Pitcher Partners*

PITCHER PARTNERS



DAN COLWELL  
Partner

Brisbane, Queensland  
23 February 2023