

## 2.9 FINANCIAL INFORMATION

### 2.9.1 Balance sheet

Below are the financial statements of the Company for the financial year ended 30 June 2021, which have been prepared in accordance with the Accounting Standards. Financial information for the 10 months ended 30 April 2022 have also been included, based on management accounts, and accordingly may be subject to change.

	30-Jun-21	30-Apr-22
<b>Assets</b>		
Bank		
NAB Business Everyday Acc	\$0.00	\$562,543.82
<b>Total Bank</b>	<b>\$0.00</b>	<b>\$562,543.82</b>
<b>Current Assets</b>		
Cash on Hand	\$100.00	\$107.00
Accounts Receivable	\$0.00	\$0.00
<b>Total Current Assets</b>	<b>\$100.00</b>	<b>\$107.00</b>
<b>Fixed Assets</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Total Fixed Assets</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>Total Assets</b>	<b>\$100.00</b>	<b>\$562,650.82</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		

Accounts Payable	\$0.00	\$50,820.75
Loan Facility	\$0.00	\$335,724.93
Accrued Interest Expense - Loan Facility	\$0.00	\$12,417.00
Accrued Expenses	\$0.00	\$12,446.15
GST	\$0.00	-\$74,113.27
<b>Total Current Liabilities</b>	<b>\$0.00</b>	<b>\$337,295.54</b>
<b>Non-Current Liabilities</b>		
Convertible Note	\$0.00	\$1,000,000.00
Accrued Interest Expense - Convertible Notes	\$0.00	\$34,794.52
<b>Total Non-Current Liabilities</b>	<b>\$0.00</b>	<b>\$1,034,794.52</b>
<b>Total Liabilities</b>	<b>\$0.00</b>	<b>\$1,372,090.06</b>
<b>Net Assets</b>	<b>\$100.00</b>	<b>-\$809,439.24</b>
<b>Equity</b>		
Current Year Earnings	\$0.00	-\$809,546.24
Retained Earnings	\$0.00	\$0.00
Share Capital	\$100.00	\$107.00
<b>Total Equity</b>	<b>\$100.00</b>	<b>-\$809,439.24</b>

## 2.9.2 PROFIT AND LOSS STATEMENT

	30-Jun-21	30-Apr-22
<b>Income</b>		
Sales	-	-
<b>Total Income</b>	-	-
<b>Less Expenses</b>		
Professional Fees	-	\$480,914
Services Agreement Fees	-	\$148,333
Office Rent and Outgoings	-	\$56,157
Interest Expense	-	\$47,212
Marketing	-	\$32,101
Consulting & Accounting	-	\$13,085
Travel, Meals & Accommodation	-	\$15,236
Research and Development Costs	-	\$8,478
Subscriptions	-	\$2,480
Computer Software Subscriptions	-	\$2,313
IT Support	-	\$2,085
Filing Fees	-	\$276
Printing & Stationery	-	\$777
Customs Duty	-	\$99
Insurance	-	-
	-	-
<b>Total Operating Expenses</b>	-	<b>\$809,546</b>
<b>Net Profit</b>	-	<b>(\$809,546)</b>

## 2.9.3 CASH FLOW STATEMENT

	30-Jun-21	30-Apr-22
<b>Operating Activities</b>		
Receipts from customers	-	-
Payments to suppliers and employees	-	(\$437,456)
Cash receipts from other operating activities	-	-
<b>Net Cash Flows from Operating Activities</b>	-	<b>(437,456)</b>
<b>Investing Activities</b>		
Cash items from investing activities	\$0	\$7
<b>Net Cash Flows from Investing Activities</b>	<b>\$0</b>	-
<b>Financing Activities</b>		
Cash items from financing activities	-	\$1,000,000
<b>Net Cash Flows from Financing Activities</b>	-	<b>\$1,000,000</b>
<b>Net Cash Flows</b>	<b>\$0</b>	<b>\$562,551</b>
<b>Cash and Cash Equivalents</b>		
Cash and cash equivalents at beginning of period	\$100	\$100
Net change in cash for period	\$0	\$562,551
<b>Cash and cash equivalents at end of period</b>	<b>\$100</b>	<b>\$562,651</b>

## 2.9.4 STATEMENT OF CHANGES IN EQUITY

	30-Jun-21	30-Apr-22
<b>Equity</b>		
Opening Balance	\$100	\$100
Current Year Earnings		(\$809,546)
Shares Fully Paid	\$0	\$7
<b>Total Equity</b>	<b>\$100</b>	<b>(\$809,439)</b>

## 2.9.5 MANAGEMENT COMMENTS ON HISTORICAL PERFORMANCE AND OUTLOOK

As noted elsewhere, the Company is pre-revenue.

Employees are employed through BIM Metals Pty Ltd and employee costs are passed on to LINE Hydrogen through a Services Agreement between the entities. The Services Agreement is at arms length and provides for employment, administrative and lease arrangements and office Rental and insurances are pass-through costs. Therefore no provision for employee costs is made in the accounts of LINE Hydrogen. No property leases are held in LINE Hydrogen's account.

The interest on the convertible notes have been accrued for as interest expense and may be converted to equity at Maturity Date.

A loan facility agreement of \$400,000 was entered into with BIM Metals in February 2022. The current outstanding balance is \$335,725 and the facility expires in December 2022. Interest has been accrued at 10% per annum on the outstanding facility.