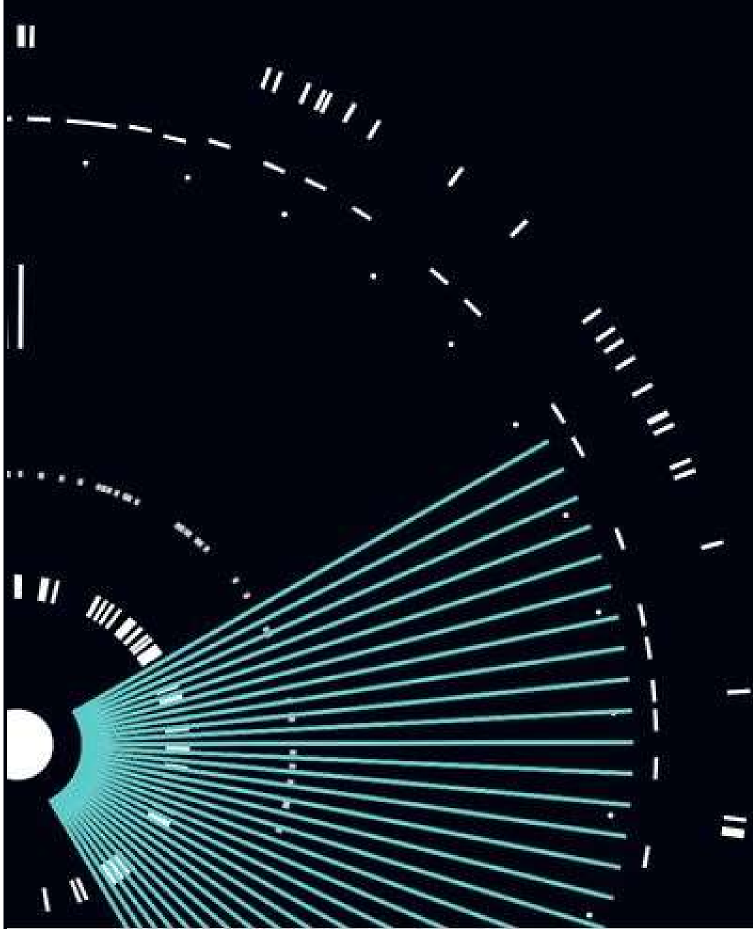
ORCODA optimise everything

OPERATIONAL EFFICIENCY SPECIALISTS



ORCODA LIMITED

Annual Report 2021

plan. mobilise. manage.

Australia's leading Transport Logistics & Transport Services Provider

Orcoda Limited
ABN 86 009 065 650

2021 Annual Report

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CORPORATE DIRECTORY

DIRECTORS

Nicholas Johansen	Non-Executive Chairman
Geoffrey Jamieson	Managing Director/CFO
Stephen Pronk	Non Executive Director
Brendan Mason	Non Executive Director
Geoffrey Williams	Executive Director (1/2/2021)

COMPANY SECRETARY

Julian Rockett
B Arts, LLB, GDLP

REGISTERED OFFICE

Unit 305
434 St Kilda Road,
MELBOURNE VIC 3004

HEAD OFFICE

Unit 305
434 St Kilda Road,
MELBOURNE VIC 3004
Telephone: (61-3) 9866 7333

Email	admin@orcoda.com
Homepage	www.orcoda.com
ASX Code	ODA

CORPORATE GOVERNANCE STATEMENT

Statement is available on homepage: www.orcoda.com

AUDITORS

BDO Audit Pty Ltd
Level 10,
12 Creek Street
BRISBANE QLD 4001

BANKERS

Westpac Banking Corporation
275 George Street
SYDNEY NSW 2000

SOLICITORS

Hopgood Ganim
Level 4,
105 St Georges Terrace
PERTH WA 6000

SECURITIES QUOTED

Australian Securities Exchange, ASX: ODA
Home Exchange – Australian Securities Exchange (Perth)

SHARE REGISTRY

Computershare Registry Services
Level 2, 45 St Georges Terrace
PERTH WA 6000

Telephone: (61-8) 9323 2000
Facsimile: (61-8) 9323 2033

NOTICE OF ANNUAL GENERAL MEETING

Date To Be Confirmed

CHAIRMAN'S REPORT

The past year, ending 30 June 2021, has been a turnaround year for the Company with the Resource Division settling on the acquisition of Betta Group on 1st December 2020 which was significantly accretive to shareholders. The Company is now growing month on month and year on year and is a leading Transport Logistics and Transport Services provider delivering services in a very large growth industry.

The Company achieved EBITDA of $1,091,706 for FY21 which was a major turnaround over previous years with positive results all round.

- Profit attributable to members increased by **732%** from the first half of FY21 to the second half of FY21, going from $54,907 profit to $456,996 profit.
- Revenue year on year was up **381%** from $1,834,460 in FY20 to $8,826,906 in FY21.
- As at 30 June 2021, the Consolidated Group had total assets of $17,576,620 up from $9,616,223 on 30 June 2020, an increase of **82%** year on year.

Although Betta acquisition could only be brought to account from 1 December 2020, the highlevel Proforma P&L would have been as follows, consolidating Betta full year result into Orcoda accounts:

- Consolidated Revenue to 30th June, 2021: $12,561,299 (Betta group unaudited prior to 1 December 2020)

The Resource Division was the major contributer to our results with the Betta Group being able to deliver essential services not affected by COVID-19 and multiple smaller contracts like Mt Buller adding to revenue, the revenue would have been more significant had it not been for COVID-19 lockdowns.

The Healthcare Division also contributed to the result and is continuing to innovate and grow again after being significantly affected by COVID-19 in FY20. We changed the model in healthcare to "transport as a service" and we are now expanding the Division with a good contract in hand with Transitcare, another contract in hand with a major pathology company and other contracts being negotiated that will add to the revenue growth of the division.

The Transport Division continues to innovate with the Orcoda Logistics Management System (OLMS) which is now very unique, in that it can deliver scheduled service and on demand in the one platform. The division continues to service its loyal customer base through providing our unique and innovative transport logistics SaaS platform to its customers to manage their fleets. The division announced some good contracts during the year and and has a potentially very large contract in the early stages of modelling for the client. The recurring revenues will continue to grow as we bring more customers on line.

Overall FY21 was a great result and a major turn around for the Company and its shareholders and we look forward to continuing to grow the company on behalf of our shareholders.

Finally, on behalf of the Board, I would like to thank the Orcoda team for their dedication and hard work this year, for taking the necessary steps to reduce the cost base and to optimise the business. Together, we are forging a solid position in the competitive but rewarding world of logistics excellence.

I thank you, our shareholders, for your loyalty and support.

Nicholas Johansen
Chairman

23 September 2021

DIRECTORS' REPORT

Your directors present their report together with the financial statements on the consolidated entity consisting of ORCODA Limited and the entities it controlled at the end of and during the year ended 30 June 2021.

DIRECTORS

The directors' names and qualifications during the financial year and up to the date of this report are:

Nicholas Johansen (Appointed 21/6/2018)
Brendan Mason (Appointed 29/07/17)
Geoffrey Jamieson (Appointed 7/3/2018)
Stephen Pronk (Appointed 15/4/2019)
Geoffrey Williams (Appointed 1/2/2021)

Nicholas Johansen – Chairman (Appointed 21/6/2018)

Chair Remuneration and Audit Committees Partner Cozens Johansen Law. NED Armadale Capital PLC. President NT Resources & Energy Law Association and Non Executive Director Pattison (formerly Hardey) Resources Limited.

Geoffrey Jamieson – Managing Director (Appointed 7/3/2018)

MAICD, ex merchant banker previously held positions as Managing Director / Finance Director of 5 listed public companies and numerous private companies, His experience is across a broad range of industries which include software development, funds management, logistics in mining, oil & gas and transport. Previously Managing Director of Resource Connect.

Brendan L. Mason (Appointed 29/7/2017)

MAICD, previously held numerous senior leadership positions in a range of major international companies and organisations, including General Manager logistics at Boral, Cochlear's General Manager in Greater China, Lucent Technologies' Executive Director and Head of Sales and was previously Board Member, Treasurer and Chairman of the Australian Chamber of Commerce to China.

Stephen Pronk (Appointed 2/4/2019)

MAICD, owner and director of AimLab, a private Brisbane company which designs and manufactures pathology and analytical laboratory automation equipment, and he is an active angel investor in early stage start-ups through Brisbane Angels

Geoffrey Williams (Appointed 1/2/2021)

Geoffrey worked for Ergon Energy for 25 years prior to forming Betta Group which he has grown from a start up 15 years ago, to a well respected and profitable company today.

COMPANY SECRETARY

Julian Rockett (Re-appointed 12/1/2021)
LLB, B. Arts, GDLP, Julian has over 10 years experience as company secretary of ASX listed companies.

DIVIDENDS

There were no dividends declared or paid during the course of the financial year and no dividend is recommended for this year (2020: nil).

PRINCIPAL ACTIVITIES

Leading Transport Logistics and Transport Services provider being an operational efficiency specialist who supplies best-in-class solutions that combine software, management expertise and contracting services to a very wide and diverse client base.

OPERATING RESULTS

The operating profit of the consolidated entity from continuing operations for FY21 amounted to $456,558 profit (2020: $6,739,295 loss). Revenue and other income from continuing operations year on year was up **381%** from $1,834,460 in FY20 to $8,826,906 in FY21. The Company achieved a **732%** increase in profit attributable to members from the first half to the second half of the financial year going from $54,907 profit to $456,996 profit. The consolidated entity had total assets of $17,576,620 (Betta Group's contribution is $5,125,232) up from $9,616,223 on 30th June 2020, an increase of **82%** year on year. EBITDA for the FY21 was $1,091,706.
Orcoda's continued strategy is to deliver operational efficiency to major transport infrastructure projects through the Company's proprietary technology products with an active strategy to scale existing technology and pursue value accretive acquisitions.

DIRECTORS' REPORT (CONT)

OPERATING RESULTS (CONT)

BUSINESS OVERVIEW

Logistics Technologies

- Proprietary SaaS and enterprise technology focused on efficient logistical planning and resource management.
- Interconnection of our existing technology platforms to smart transport infrastructure e.g. Orcoda smart poles.
- Three established markets: Healthcare transport, Industrial transport & Resources / Infrastructure transport.
    - Helps efficient fleet scheduling and routing in the healthcare sector.
    - Optimises job scheduling and improves fleet visibility in the industrial transport sector.
    - Helps simplify mass passenger deployments in the resources sector (oil & gas, mining and transport infrastructure).

Infrastructure Services

- Resource Logistics managing transport services infrastructure projects since 2012, recently acquiring Betta Power.
- Betta serves the transport sector in electrical construction & maintenance with expertise in smartpole installation.
- Strong Federal, State, Local Government and Commercial contract pipeline.
- Build, install and connect bids for additional rail, road, air and mining currently under tender.
- Well positioned to leverage government transport infrastructure spend of $110 billion over next 10 years.

Smart Pole Technology

- Smart Pole technology developed to connect its transport logistics technology into future transport corridors.
- RC Birli formed, an Indigenous owned corporation, in conjunction with Dickerson Digital.
- Marketing commenced to roll out smart pole technology in road, rail & air projects.
- Road, rail & air infrastructure will require smart technology to enable the management of transport into the future.
- Forefront of transport focused digital revolution utilising specialised AI, augmented reality and IoT expertise.

Acquisitions

- Growth of divisions organically together with value accretive acquisitions.
- Several potential acquisition targets at later stage of due diligence
- Significant synergies with existing logistic technology and/or business units.

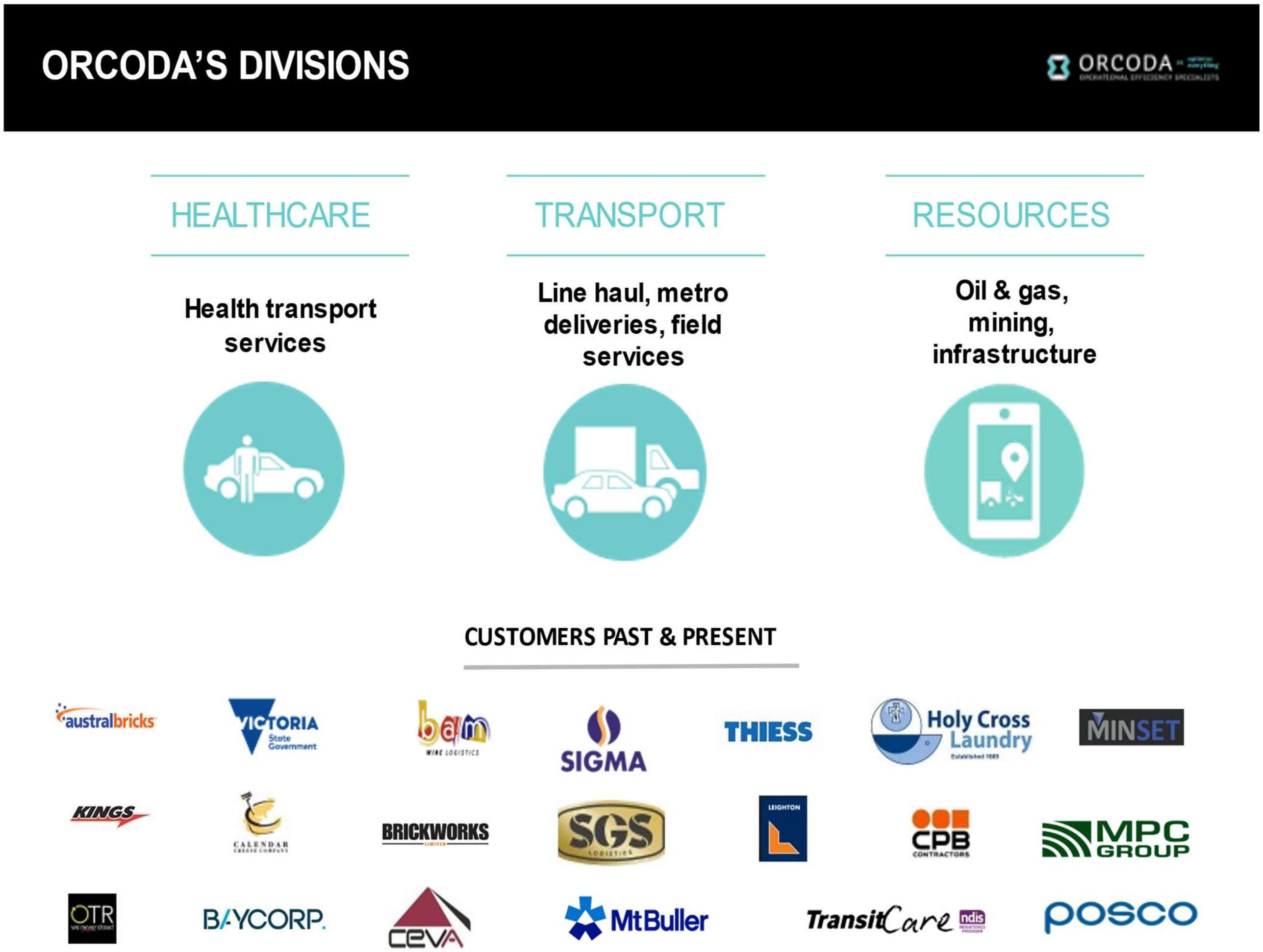
Orcoda's strategy is to build a diversified transport logistics & transport services business based on expertise, technology and internal growth. Aligned acquisitions that are accretive and interconnect through Technology will also be pursued for further growth.

Orcoda Limited is an Australian-listed company (ASX:ODA) specialising in transport logistics and transport services with expertise in business efficiency and optimisation. We are operational efficiency specialists who supply best-in-class solutions that combine software, management expertise and contracting services, helping to make our clients among the most productive and cost-effective organisations in their respective industries.

Our clients come from a diverse array of industry sectors and include some of Australia's largest companies operating in Oil & Gas, Mining, Infrastructure, Transport and Healthcare sectors.

DIRECTORS' REPORT (CONT)

OPERATING RESULTS (CONT)



At Orcoda, we understand that every business involves a combination of people, systems and processes. Orcoda enhances and empowers each of these core elements by ensuring staff have access to accurate and relevant information, and by providing the support of experienced professionals capable of dealing with any challenge.

Plan

The ability to plan effectively is in our DNA and we embed this into our clients DNA

Mobilise

We mobilise assets, people or goods in the most timely and cost-effective way, no matter the challenge.

Manage

We help identify, adapt and respond to changes as they occur, minimising disruption and maximising profitability.

DIRECTORS' REPORT (CONT)

OPERATING RESULTS (CONT)

HEALTHCARE LOGISTICS

TECHNOLOGY, FLEET MANAGEMENT & FLEET OPERATIONS

MANAGEMENT OF VEHICLES FOR HEALTHCARELOGISTICS

Orcoda's healthcare focused product – provides transport as aservice that delivers healthcare providers with an outsourced management model for optimised scheduling and routing for their vehicle fleet or a totally outsourced model whereby we supply our fleet and drivers utilising our technology to deliver cost savings to our clients.

KEY BENEFITS:

- Optimise route and scheduling
- Dynamic solver for on demand services
- Unique platform that does scheduled and on demand
- Minimised trip costs
- Integrated field devices for live reporting and comms
- Automated end of day reporting
- Information aggregation
- Supply of Orcoda vehicles and management of drivers
- Integration with smart poles to enhance connectivity

HEALTHCARE LOGISTICS

Orcoda Healthcare Logistics is an innovative mobile healthcare solution which improves client outcomes and optimises the efficiency of mobile healthcare services delivery.

Our solution has been designed with a single philosophy in mind - Client Care. We combine Orcoda's mix of industry knowledge and management expertise with market-leading technology. This enables us to provide best-in-class services to organisations across the entire Healthcare spectrum, including aged and high needs care providers, community organisations, NFPs and NDIS service providers.

Our Drivers are more than just qualified to drive, our caring drivers are trained and compliant with statutory clearance (Blue Card , Yellow Card, National Police Check, Driver Accreditation) combined with a CPR and first aid certification.

Health Transport Services

Using our scheduling and route optimisation technology, Orcoda can improve the efficiency and reliability of fleets delivering critical medical supplies. Our system optimises travel plans and makes these available with real-time updates to all stakeholders via a security filtered web interface and mobile application.

To maximise fleet effectiveness, the Orcoda Healthcare Logistics System is tailored to your specific situation and includes the services of our expert planners in your office, to ensure the seamless delivery of vital services to your clients. The team behind the planners manage issues as they arise.

DIRECTORS' REPORT (CONT)

OPERATING RESULTS (CONT)

TRANSPORT LOGISTICS

SAAS AND SOFTWARE DEVELOPMENT

SAAS AND VEHICLES FOR INDUSTRIAL TRANSPORTATION

Orcoda's transport focused product - Orcoda Transport Logistics,is a recurring revenue, SaaS cloud product providing enterprise customers with large transport fleets optimised job scheduling as well as enhanced fleet management.

This allows both internal and external stakeholders to gain enhanced visibility and control over their logistical operations.

KEY BENEFITS:

- Electronic driver workbooks and safety compliance
- Schedule management
- Route Optimisation
- Driver tracking
- Automated customer notification on delivery timelines
- Proof of delivery
- Customer service reports
- Smart Bin technology linked to platform for wastemanagement
- Integration with smart poles to enhance connectivity

TRANSPORT LOGISTICS

Orcoda Transport Logistics is built on our extensive history and knowledge of delivering logistic solutions that empower organisations to be market leaders in transport, field service and distribution of goods and services.

Our solutions incorporate all your operational and customer service rules, optimising your fleet's schedule to ensure full operational and service-level compliance is delivered with maximum efficiency. Based on cloud SaaS architecture, Orcoda Transport Logistics ensures all stakeholders, both internal and external, have visibility and control of their future schedules, with real-time views and notifications of in-field progress when paired with our customised mobility solution. Whether you deliver or pick up goods or offer services that require logistics, Orcoda Transport Logistics can transform your operation by increasing efficiency, compliance, visibility and service levels, all while lowering your bottom line costs.

Scheduling, Planning & Management

Our optimisation software can be tailored to your operation's unique rules, KPIs and operational variables, which can all be factored into the daily plan for your business. The software can also issue notifications to staff to inform them of their daily plans and to your business. The software issues notifications to your staff for daily plans and customers for arrival times.

Mobility & Visibility

Orcoda Transport Logistics allows stakeholders to monitor real-time progress of each schedule, order fulfilment status and worker location information on a live map and respond immediately to any exceptions.

Business Intelligence & Workflow

The automated workflow and notification engine enables the system to predict any future exceptions to business rules and schedules based on your current activity. Using the system's real-time and long-range reporting and analysis tools, your organisation can optimise its fleet and movements based on accurate and up-to-date information generated in-field

DIRECTORS' REPORT (CONT)

OPERATING RESULTS (CONT)

RESOURCE LOGISTICS

WORKFORCE ASSET MANAGEMENT & INFRASTRUCTURE CONTRACTING

TECH FOR RESOURCES AND CONTRACTING

Orcoda's resources focused product - Resource Logistics, is a technology product helping energy, mining and infrastructure companies simplify the management complexity of mass workforce and people deployments.

This is achieved by digitally tracking individuals and asset statuses through a single digital interface.

Orcoda has managed up to 5,000 passenger movements per day on major oil & gas projects and is currently managing very large numbers of passenger movements per day at Mt Buller.

KEY BENEFITS

Digitally tracks personnel, contractors and suppliers in real timewith live manifests

- Reduces administration time, effort, error rate, increasesworksite productivity and safety
- Ensures workforce compliance through automated trackingof accreditations, qualifications and competencies
- Ensures the right people are on the right assets at all timeswith full reporting functions to management in real time

RESOURCE LOGISTICS

Orcoda Resource Logistics offers best-in-class service and technology in order to manage people, places and process on complex resources projects for which visibility and control over the whole work team and assets are critical to safety and success.

Orcoda's solutions have been built on the back of some of Australia's largest workforce-intensive projects. Our expertise extends across all phases of delivery, from early works through to construction, operation and maintenance. We bring together a combination of management, contracting experience and technology to simplify the complexity of mass workforce deployments.

Our approach is to integrate the Orcoda solution into your existing systems rather than replacing them. This ensures that we can centralise all information in one place to give you complete visibility at all stages, including onboarding, mobilisation and worksite movements. The results are reduced costs, reduced risk and increased productivity for your project.

Management

Our expert management team provide an outsourced solution that works in our clients office and caters to the many and evolving needs of their projects. We can design and improve key project processes through our specialist supply-chain knowledge, helping save money and time across all areas.

Our approach is to ensure everyone in the supply chain receives accurate and relevant information, with updates immediately communicated through to managers and workers. Key stakeholders have visibility and control over workers at all stages of onboarding, mobilisation and worksite movements. Orcoda specialists work with the senior management team, empowering them to make fast, accurate and cost-saving decisions, while also ensuring compliance with company policies.

Contracting

We procure and manage the service providers required to facilitate every stage of a project.

Platform & Integration

Orcoda specialises in connecting all personnel and suppliers into one continuous supply chain and can digitally connect systems and data from all suppliers and contractors to create a seamless, end-to-end process.

DIRECTORS' REPORT (CONT)

OPERATING RESULTS (CONT)

RESOURCE LOGISTICS

TRANSPORT INFRASTRUCTURE SERVICES

ORCODA'S TRANSPORT INFRASTRUCTURE SERVICES

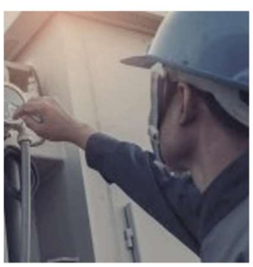
- Boosted by the acquisition of Betta Group in December 2020.
- Betta Group undertake major installations and maintenance contract works for a number of predominant Queensland commercial and government customers.
- To deliver projects to the highest standard, Betta Group's approach focuses on high quality, visibility and adherence to compliance and standards.
- This is achieved through Betta's vast industry knowledge and experience, highly skilled and motivated workforce and extensiveproject management capability.
- Betta Power's expertise in smart pole installation delivers Orcodathe ability to win large contracts for the installation of Smart Polesin major transport corridors being built over the next 10 years withinthe Federal Government $110 billion transport infrastructure spendin road, rail & air.

BETTA GROUP CUSTOMERS

Zinfra · Curragh · Australian Government Department of Defence · Ergon Energy · Aurizon · Spotless · JoyGlobal · Prime Rentals · Rockhampton Regional Council

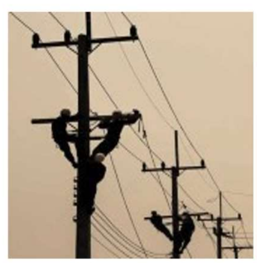
Betta has proven results with a portfolio of successful and high profile projects delivered with utmost efficiency and quality.

CURRAGH MINE HIGH VOLTAGE WORKS PROJECT



Principal	Wesfarmers
Betta Component	$500,000
Project	Carried out all routine maintenance of the overhead poles, ABS's and Transformers on the private Curragh 66kV/22kV Networks.

AURIZON POLE & SWITCHBOARD PROJECT



Principal	Aurizon
Betta Component	$750,000
Project:	Carried out services to change more than 100 power poles and 50 CMP switchboards.

CANOONA ROAD AIRFIELD LIGHTING PROJECT

Principal	Spotless
Betta Component	$100,000
Project:	Carried out installation of lighting for the helicopter landing zones for the Chinook and Apache helicopters for the Singaporean Army.

SOUTHERN OIL PROJECT

Principal	Electrix
Betta Component	$350,000
Project:	HV overhead and underground component for the electrical infrastructure to the new Southern Oil Refinery at Yarwun near Gladstone.

DIRECTORS' REPORT (CONT)

BOARD CHANGES AND APPOINTMENT

On 1 February 2021 there was a new appointment to the board and the current board is made up of the following:

Nicholas Johansen	(Chairman and Chairman of Audit Committee and Remuneration Committee), continuing
Geoffrey Jamieson	(Managing Director / CFO and member of Audit Committee), continuing
Brendan Mason	(Non Executive Director and member of Remuneration Committee), continuing
Stephen Pronk	(Non Executive Director), continuing
Geoffrey Williams	(Executive Director) appointed 1 February 2021

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Effective 1 December 2020, Orcoda Limited acquired 100% of the ordinary shares of Betta Group of Companies Qld Pty Ltd for its Resource division. This acquisition has significantly added value to the business in both revenue and profitability and it also optimises the outcome of major infrastructure projects enabling us to deliver better value for our customers. Betta's ISO qualifications enhances the Resource Logistics division's ability to win new infrastructure projects.

During the financial year, COVID-19 had an impact on operations with the largest impact being in Healthcare where our aged and disability transport was significantly affected. The Mt Buller contract revenue was also affected because of stage 4 restrictions being imposed in Melbourne and stage 3 restrictions applying to the rest of Victoria.

On 18 February 2021, Orcoda sold 51% of one of its subsidiaries RC (North QLD) Pty Ltd to Dickerson Technologies Pty Ltd (an indigenous company registered with Supply Nation) so that the entity can become a registered Supply Nation certified business to win project work on Government projects under the Supply Nation process. The company has relinquished control of this entity, therefore, any future profits generated by this entity will be equity accounted for in the consolidated entity.

There were no other significant changes in the state of affairs of the consolidated entity during the financial year.

ENVIRONMENTAL REGULATION

The consolidated entity is not subject to any significant environmental regulation under Australian law.

MATTER SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

The impact of the Coronavirus (COVID-19) pandemic is ongoing and has had an impact on operations at Mt Buller which caused a reduction in revenue over expected revenue during July August and September of FY22.

No other matter or circumstance has arisen since 30 June 2021 that has significantly affected, or may significantly affect Orcoda Limited and its controlled entities' operations, the results of those operations, or the state of affairs in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Company will continue to look for ways to improve performance and cash flow, particularly where revenue is not impacted, in order increase profitability. Our strategy is to grow via strategic acquisitions in each division.

AUDITORS

Effective from 17 December 2020, BDO Audit Pty Ltd has been appointed as auditor of the Company. They continue in office in accordance with Section 327 and 324DAA of the Corporations Act 2001.

NON-AUDIT SERVICES

The auditors did not perform any non-audit service during the financial year.

INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, Orcoda Limited insured all directors and officers of the consolidated entity for all liabilities and costs relating to any claim made against them arising out of their conduct whilst acting as a director or officer of the consolidated entity, other than conduct involving a wilful breach of duty in relation to the consolidated entity.

INDEMNITY AND INSURANCE OF AUDITOR

Orcoda Limited has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor. During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

DIRECTORS' REPORT (CONT)

MEETINGS OF DIRECTORS

The following table sets out the number of formal meetings of the Company's directors during the year ended 30 June 2021 and the number of meetings attended by each director:

	Directors' Meeting		Audit Committee		Remuneration Committee	
Director	No. of meetings held whilst Director	No. of Meetings Attended	No. of meetings held whilst Director	No. of Meetings Attended	No. of meetings held whilst Director	No. of Meetings Attended
Nicholas Johansen	10	9	2	2	1	1
Brendan Mason	10	10			1	1
Geoffrey Jamieson	10	10	2	2		
Stephen Pronk	10	8				
Geoffrey Williams	4	3				

PROCEEDINGS ON BEHALF OF COMPANY

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

The Company was not a party to any such proceedings during the year other than a Fair Work claim by a former employee which was settled before reaching court proceedings.

OUTSTANDING OPTIONS

At the date of this report, the following unlisted options outstanding are as follows:

Grant Date	Date of Expiry	Exercise Price	Number under Option
27/9/2019	27/9/2022	$0.5000	100,000
17/01/2020	17/01/2023	$0.5000	12,000,000

SHARES ISSUED ON THE EXERCISE OF OPTIONS

No ordinary shares were issued during the year ended 30 June 2021 and up to the date of this report on the exercise of options granted.

EBITDA (UNAUDITED)

The reconciliation of EBITDA (Earning before Interest, Tax, Depreciation and Amortisation) of the consolidated entity is as follows:

		2021	2020
		$	$
Profit for the year		440,010	(6,873,873)
- Interest income	-	7,680	504
- Foreign exchange gain	-	6	487
+ Income tax expense	+	4,677	-
+ Depreciation	+	390,624	120,333
+ Amortisation	+	27,955	54,477
+ Impairment loss	+	236,126	4,418,311
EBITDA		**1,091,706**	**(2,281,743)**

REMUNERATION REPORT (AUDITED)

Your directors present their Remuneration Report for the year 1 July 2020 to 30 June 2021.

ROLE OF BOARD OF DIRECTORS

The Board determines the appropriate nature and amount of remuneration. The Board seeks to ensure that executive reward satisfies the following criteria for good reward governance practice:

- competitiveness and reasonableness;
- acceptability to shareholders;
- alignment of executive remuneration to performance;
- transparency and capital management.

NON-EXECUTIVE DIRECTORS

Fees paid to non-executive directors reflect the benefit of research into published information as to the level of remuneration paid to directors of comparable companies.

EXECUTIVES

Executive directors and key management personnel remuneration comprises base salary and superannuation. Base salary is reviewed annually by the Board having regard to the overall levels of remuneration of executives in comparable Australian companies.

CHAIRMAN

The services of the Chairman reflect the benefit of research into published information as to the level of remuneration paid to chairpersons of comparable companies.

LETTER OF APPOINTMENT

Remuneration and other terms of employment for the executive director are formalised in a letter of appointment that also contains comprehensive provisions in relation to termination, confidentiality and suspension.

REMUNERATION OF DIRECTORS AND KEY MANAGEMENT PERSONNEL

(a) Names and positions held of Parent Entity Directors and Key Management Personnel in office at any time during the financial year are:

Parent Entity Directors

Nicholas Johansen	Chairman – Non-Executive Director (ongoing)
Geoffrey Jamieson	Managing Director – Executive (ongoing)
Brendan Mason	Director – Non Executive Director (ongoing)
Stephen Pronk	Director – Non Executive Director (ongoing)
Geoffrey Williams	Director – Executive Director (Appointed 1/2/2021)

Other Key Management Personnel

Greg Khan	CFO (Resigned 13/6/2021)

DIRECTORS' REPORT (CONT)

(b) Table of benefits and payments to Directors' and Key Management Personnel for the year ended 30 June 2021

		Short-term benefits				Post-employment benefits		Long-term benefits		Equity-settled share-based payments		
		Salary, fees and leave	Profit share and bonuses	Non-monetary	Other	Pension and Superannuation	Other	LSL	Shares / Units	Options / Rights	Termination benefits	Total
Directors												
Brendan Mason[1]	2020	26,250	-	-	-	-	-	-	-	18,000	-	44,250
	2021	26,250	-	-	-	-	-	-	-	-	-	26.250
Nicholas Johansen[2]	2020	43,752	-	-	-	-	-	-	-	36,000	-	79,752
	2021	43,750	-	-	-	-	-	-	-	-	-	43,750
Geoff Jamieson[3]	2020	259,375	-	-	-	-	-	-	-	144,000	-	403,375
	2021	284,375	-	-	-	-	-	-	-	-	-	284,375
Stephen Pronk[4]	2020	7,500	-	-	-	-	-	-	-	18,000	-	25,500
	2021	3,750	-	-	-	-	-	-	-	-	-	3,750
Geoffrey Williams*[5]	2020	-	-	-	-	-	-	-	-	-	-	-
	2021	52,089	-	-	-	-	-	-	-	-	-	52,089
Sub-Total	**2020**	***336.877***	**-**	-	**-**	**-**	-	-	**-**	***216,000***	-	***552,877***
	2021	***410,214***	**-**	-	**-**	**-**	-	-	**-**	**-**	-	***410,214***
Other Key Management Personnel												
Greg Khan**[6]	2020	71,658	-	-	-	-	-	-	-	1,500	-	73,158
	2021	115,150	-	-	-	-	-	-	-	-	-	115,150
Total	**2020**	***408,535***	**-**	**-**	**-**	**-**	**-**	**-**	**-**	***217,500***	**-**	***626,035***
	2021	***525,364***	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	***525,364***

* Director appointed on 1 February 2021.
** Key Management Personnel resigned on 13 June 2021.
[1] Fees were paid to SinoOz Limited in which Brendan Mason has an interest in.
[2] Fees were paid to Harkiss Minerals Discovery Pty Ltd in which Nicholas Johansen has an interest in.
[3] Fees were paid to Tamlin Holdings Pty Ltd in which Geoff Jamieson has an interest in.
[4] Fees were paid to Pronk Holdings Pty Ltd in which Stephen Pronk has an interest in.
[5] Fees were paid to Pacific Energy Group Pty Ltd in which Geoffrey Williams has an interest in.
[6] Fees were paid to GJK Company Pty Ltd in which Greg Khan has an interest in.

The service and performance criteria set to determine remuneration are set out in paragraph (f) of the Remuneration Report

DIRECTORS' REPORT (CONT)

Employment Details of Members of Key Management Personnel (KMP) and Other Executives

The following table provides employment details of persons who were, during the financial year, members of key management personnel of the consolidated entity. The table also illustrates the proportion of remuneration that was performance and non-performance based and the proportion of remuneration received in the form of options.

Name	Position held as at 30 June 2021 and any change during the year	Contract Details (Duration and Termination)	Proportions of elements of remuneration related to performance			Proportions of elements of remuneration not related to performance	
			Non-salary cash-based incentives	Shares/ Units	Options/ Rights	Fixed Salary/Fees	Total
Nicholas Johansen	Non-Executive Chairman	Ongoing contract $50,000 per annum	-	-	-	100.0%	100.0%
Geoffrey Jamieson	Managing Director	3 year agreement with entitlement to receive 12 Months payments if terminated by the Company	-	-	-	100.0%	100.0%
Geoffrey Williams	Executive Director	Ongoing contract since 01/02/2021				100%	100%
Stephen Pronk	Non Executive Director	No contract NED fees $15,000 per annum	-	-	-	100.0%	100.0%
Brendan Mason	Non Executive Director	Ongoing contract for NED fee $30,000 per annum	-	-	-	100%	100.0%

In April 2020, the Managing Director and two Non Executive Directors (Nicholas Johansen and Brendan Mason) entered into agreements with the Company to reduce their contracts by 50% for a period of 6 months and one Non Executive Director (Stephen Pronk) reduced his contract to nil for 6 months due to COVID-19 impacts on the Company.

On appointment to the board, all non-executive Directors enter into a service agreement with the company in the form of a letter of appointment. The letter summarises the board policies and terms, including compensation, relevant to the office of director.

The employment terms and conditions of all KMP are formalised in contracts of employment. Each of these agreements provide for the provision of performance related cash bonuses, other benefits including car allowances, mobile telephone and laptop, and equity participation, when eligible.

Terms of employment of other KMP require that the relevant consolidated entity provide an executive contracted person with a minimum of one month's notice prior to termination of contract. Termination payments are not payable on resignation or under the circumstances of unsatisfactory performance.

Non-Executive Directors are subject to similar contracts requiring one month's notice to be given on termination. Termination payments are at the discretion of the remuneration committee.

DIRECTORS' REPORT (CONT)

Changes since the end of the reporting period

No changes in directors and key management personnel have occurred since the end of the reporting period.

Share-based compensation
Issue of shares
No shares were issued to directors in lieu of previous year's director fees.

Options
No options were granted as remuneration to directors and key management personnel during the reporting period.

(c) Shareholdings

Number of Shares held directly or indirectly by Parent Entity Directors and Key Management Personnel:

30 June 2021	Balance at the start of the year	Granted as remuneration during the year	Issued on exercise of options during the year	Other changes during the year	Balance at the end of the year
Parent Entity Directors					
Geoffrey Jamieson	8,970,732	-	-	1,423,750	10,394,482
Brendan Mason	1,462,339	-	-	-	1,462,339
Nicholas Johansen	25,000	-	-	312,500	337,500
Stephen Pronk	9,143,334	-	-	5,743,750	14,887,084
Geoffrey Williams*	-	-	-	15,625,000	15,625,000
Greg Khan **	352,651	-	-	-	352,651
Total	19,954,056	-	-	23,105,000	43,059,056

30 June 2020	Balance at the start of the year	Granted as remuneration during the year	Issued on exercise of options during the year	Other changes during the year	Balance at the end of the year
Parent Entity Directors					
Geoffrey Jamieson	8,916,732	-	-	54,000	8,970,732
Brendan Mason	1,462,339	-	-	-	1,462,339
Nicholas Johansen	25,000	-	-	-	25,000
Stephen Pronk	9,168,335	-	-	(25,001)	9,143,334
Greg Khan	-	-	-	352,651	352,651
Total	19,572,406	-	-	381,650	19,954,056

* Geoffrey Williams was appointed on 1st February 2021.
** Greg Khan resigned on 13 June 2021.

"Other changes during the year" above includes the balance of shares held on appointment/resignation, and shares acquired and disposed for cash.

DIRECTORS' REPORT (CONT)

(d) Option holdings

The number of options over ordinary shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their personally related parties, is set out below:

30 June 2021	Balance at the start of the year	Granted as remuneration during the year	Other changes during the year	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Nicholas Johansen	2,000,000	-	-	-	-	2,000,000
Geoffrey Jamieson	8,000,000	-	-	-	-	8,000,000
Brendan Mason	1,000,000	-	-	-	-	1,000,000
Stephen Pronk	1,000,000	-	-	-	-	1,000,000
Greg Khan	100,000	-	-	-	-	100,000
	12,100,000		-	-	-	**12,100,000**

The option that were granted as an incentive for the Executive and Non-Executive Management Team and there is no performance criteria for the exercise of these options.

e) Other transactions with key management personnel and their related parties

There has been no other transactions involving equity instruments other than those described in the tables above.

(f) Remuneration Practices

The Company's policy for determining the nature and amount of emoluments of directors and key management personnel of the Company is as follows:
The remuneration structure for the executive directors and key management personnel is based on a number of factors including length of service, particular experience of the individual concerned, and overall performance of the Company. Employment between the Company and the executive directors and key management personnel is on a continuing basis, the terms of which are not expected to change in the immediate future. Upon retirement the executive director and key management personnel are paid employee benefit entitlements accrued to date of retirement. The executive directors and key management personnel are paid a percentage of their salary (determined by the Board at the time) in the event of redundancy.

(g) Remuneration policy

The remuneration policy of Orcoda Limited has been designed to align key management personnel ("KMP") objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the consolidated entity's financial results.

The Board of Orcoda Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best key management personnel to run and manage the consolidated entity as well as create goal congruence between Directors, Executives and Shareholders.

The Board's policy for determining the nature and amount of remuneration for KMP of the consolidated entity is as follows:

- The remuneration policy is to be developed by the Remuneration Committee and approved by the Board after professional advice is sought from independent external consultants where considered necessary and is designed to attract the highest caliber of executives.
- KMP receive a combination of base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, options and performance incentives and rewards them for performance results aimed at long term growth in shareholder wealth.
- Performance incentives are generally only paid once predetermined key performance indicators have been met.
- Incentives paid in the form of options or rights are intended to align the interests of the Directors and Company with those of the Shareholders. In this regard, KMP are prohibited from limiting risk attached to those instruments by use of derivatives or other means.
- The Remuneration Committee reviews KMP packages annually by reference to the consolidated entity's performance, executive performance and comparable information from industry sectors.

The performance of KMP is measured against criteria agreed bi-annually with each executive and is based predominantly on the forecast growth of the consolidated entity's profits and shareholders' value. All bonuses and incentives must be linked to predetermined performance criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses and options, and can recommend changes to the committee's recommendations. Any changes must be justified by reference to measurable performance criteria. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long-term growth in shareholder wealth.

DIRECTORS' REPORT (CONT)

Remuneration policy (Cont)

All remuneration paid to KMP is valued at the cost to the company and expensed.

The Board's policy is to remunerate Non-Executive Directors at market rates for time, commitment and responsibilities. The remuneration committee determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.
KMP are also entitled and encouraged to participate in the employee share and option arrangements to align directors' interests with shareholders' interests.

Options granted under the arrangement do not carry dividend or voting rights. Each option is entitled to be converted into one ordinary share once the interim or final financial report has been disclosed to the public and is valued using the Black-Scholes methodology.

KMP or closely related parties of KMP are prohibited from entering into hedge arrangements that would have the effect of limiting the risk exposure relating to their remuneration.

In addition, the Board's remuneration policy prohibits directors and KMP from using Orcoda Limited shares as collateral in any financial transaction, including margin loan arrangements.

(h) Engagement of Remuneration Consultants

No remuneration consultant was engaged during the year.

(i) Performance-based Remuneration

The key performance indicators (KPIs) are set annually, with a certain level of consultation with KMP. The measures are specifically tailored to the area each individual is involved in and has a level of control over. The KPIs target areas the Board believes hold greater potential for group expansion and profit, covering financial and non-financial as well as short and long-term goals. The level set for each KPI is based on budgeted figures for the consolidated entity and respective industry standards.

Performance in relation to the KPIs is assessed annually, with bonuses being awarded depending on the number and deemed difficulty of the KPIs achieved. Following the assessment, the KPIs are reviewed by the Remuneration Committee in light of the desired and actual outcomes, and their efficiency is assessed in relation to the consolidated entity's goals and shareholder wealth, before the KPIs are set for the following year.

In determining whether or not a KPI has been achieved, Orcoda Limited bases the assessment on audited figures; however, where the KPI involves comparison of the consolidated entity, or a division within the consolidated entity, to the market, independent reports may be obtained from organisations such as Standard & Poors.

(j) Relationship between Remuneration Policy and Company Performance

The remuneration policy has been tailored to increase goal congruence between Shareholders, Directors and Executives. Two methods have been applied to achieve this aim, the first a performance-based bonus based on key performance indicators and the second the issue of options to Executives to encourage the alignment of personal and shareholder interests when considered appropriate.

The following table shows the gross revenue and profits for the last five years for the consolidated entity, as well as the share prices at the end of the respective financial years.

	2021 $'000	2020 $'000	2019 $'000	2018 $'000	2017 $'000
Revenue	8,827	1,834	2,527	1,389	3,192
Net Profit/(Loss)	456	(6,739)	(536)	(5,833)	(6,278)
Share price at year-end (dollar)	0.120	0.140	0.100	0.004	0.008

This concludes the remuneration report, which has been audited.

DIRECTORS' REPORT (CONT)

AUDITOR'S INDEPENDENCE DECLARATION

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

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

On behalf of the directors

Geoffrey Jamieson

GEOFFREY JAMIESON
Managing Director
Brisbane, Queensland

Dated: 23 September 2021

AUDITOR'S INDEPENDENCE DECLARATION
TO THE MEMBERS OF
ORCODA LIMITED

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Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek St
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY C HENRY TO THE DIRECTORS OF ORCODA LIMITED

As lead auditor of Orcoda Limited for the year ended 30 June 2021, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Orcoda Limited and the entities it controlled during the year.

C Henry
Director

BDO Audit Pty Ltd

Brisbane, 23 September 2021

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;

- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 30 June 2021 and of its performance for the financial year ended on that date; and

- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Geoffrey Jamieson

GEOFFREY JAMIESON
Managing Director
Brisbane, Queensland

Dated: 23 September 2021

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2021

	Note	2021	2020
		$	$
Continuing Operations			
Revenue	4	8,262,888	1,701,759
Other Income		564,018	132,701
Employee salaries and benefits expense	5	(2,262,523)	(882,841)
Material, installation and R&D expense		(2,984,991)	(1,050,399)
Depreciation expense		(390,624)	(119,319)
Consultancy cost		(772,489)	(1,255,731)
ASIC, Audit & Tax		(252,179)	(222,573)
Share-based payment		-	(217,500)
Rental & occupancy costs	5	(335,182)	(186,560)
Travelling and accommodation costs		(398,874)	(64,803)
Amortisation of intangible assets	16	(27,955)	(54,477)
Legal & associated costs		(27,738)	(25,032)
Impairment loss	16	(236,126)	(4,323,315)
Interest expense / finance cost expense		(69,902)	(28,629)
Other expenses		(607,094)	(143,063)
Share of net profit of associate	12	-	-
Foreign exchange gain/(loss)		6	487
Profit/(Loss) before income tax from continuing operations		**461,235**	**(6,739,295)**
Income tax (expense)/benefit	6	(4,677)	-
Profit/(Loss) after income tax from continuing operations		**456,558**	**(6,739,295)**
Discontinued Operations			
Profit/(Loss) after income tax from discontinued operations	10	**(16,548)**	**(134,578)**
Profit/(Loss) for the year		**440,010**	**(6,873,873)**
Other comprehensive income for the year			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation reserve		16,986	(76,879)
Total comprehensive profit/(loss) for the year		**456,996**	**(6,950,752)**
Total comprehensive profit/(loss) for the year attributable to members:			
Continuing operations		456,558	(6,739,295)
Discontinued operations		438	(211,457)
Total comprehensive profit/(loss) for the year		**456,996**	**(6,950,752)**
Earnings per share (cents) (basic and diluted) from continuing operations	27	0.35	(6.14)
Earnings per share (cents) (basic and diluted) from discontinued operations	27	(0.01)	(0.12)
Earnings per share (cents) (basic and diluted) attributable to the owners of Orcoda Limited	27	**0.34**	**(6.28)**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2021

	Note	2021 $	2020 $
Current Assets			
Cash and cash equivalents	7	2,370,914	1,371,549
Trade and sundry receivables	8	2,354,081	211,286
Financial assets	31	100,000	159,000
Other assets	9	586,374	458,019
Total Current Assets		**5,411,369**	**2,199,854**
Non-Current Assets			
Intangible assets	16	8,713,117	6,708,030
Investment in associates	17	54,765	-
Plant and equipment	14	3,054,859	33,348
Right-of-use assets	15	342,510	674,991
Total Non-Current Assets		**12,165,251**	**7,416,369**
TOTAL ASSETS		**17,576,620**	**9,616,223**
Current Liabilities			
Trade and other payables	18	1,391,541	355,674
Employee benefits	19	209,526	19,969
Lease liability	20	148,871	171,369
Contract liability	21	80,000	270,000
Financial liability	22	1,400,000	-
Total Current Liabilities		**3,229,938**	**817,012**
Non-Current Liabilities			
Lease liability	20	205,935	520,070
Contract liability	21	200,000	894,413
Financial liability	22	1,095,835	-
Total Non-Current Liabilities		**1,501,770**	**1,414,483**
TOTAL LIABILITIES		**4,731,708**	**2,231,495**
NET ASSETS		**12,844,912**	**7,384,728**
Equity			
Issued capital	23	**100,359,319**	**95,356,131**
Reserves		**(349,656)**	**(37,387)**
Accumulated losses		**(87,164,751)**	**(87,934,016)**
TOTAL EQUITY		**12,844,912**	**7,384,728**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2021

	Ordinary Share Capital $	Reserves $	Accumulated Losses $	Total Equity $
Balance at *1 July 2019*	93,230,631	1,487,606	(82,725,757)	11,992,480
Comprehensive income:				
Foreign currency translation	-	(76,879)	-	(76,879)
Loss after tax for the year	-	-	(6,873,873)	(6,873,873)
Total comprehensive income	-	(76,879)	(6,873,873)	(6,950,752)
Transactions with owners in their capacity as owners:				
Shares issued during the year	2,250,000	-	-	2,250,000
Cost of shares issued	(124,500)	-	-	(124,500)
Options issued during the year	-	217,500	-	217,500
Options expired during the year	-	(1,665,614)	1,665,614	-
Balance at *30 June 2020*	**95,356,131**	**(37,387)**	**(87,934,016)**	**7,384,728**
Balance at *1 July 2020*	95,356,131	(37,387)	(87,934,016)	7,384,728
Comprehensive income:				
Foreign currency translation	-	16,986	-	16,986
Profit after tax for the year	-	-	440,010	440,010
Total comprehensive income	-	16,986	440,010	456,996
Transactions with owners in their capacity as owners:				
Shares issued during the year – capital raise	1,342,000	-	-	1,342,000
Shares issued during the year – for acquisition	2,500,000	-	-	2,500,000
Shares issued during the year – conversion of debt to equity and purchase of assets	1,282,000	-	-	1,282,000
Cost of shares issued	(120,812)	-	-	(120,812)
Options expired during the year	-	(329,255)	329,255	-
Balance at *30 June 2021*	100,359,319	(349,656)	(87,164,751)	12,844,912

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 June 2021

	Note	2021 $	2020 $
Cash Flows from Operating Activities			
Receipts from customers		8,486,731	2,171,286
Payments to suppliers and employees		(8,589,096)	(4,348,863)
Research and development tax incentive receipt		458,437	415,206
Proceeds from government grant		20,000	-
Interest received		6,563	504
Interest expense on lease liability		(33,444)	(28,606)
Other interest and cost of finance paid		(12,252)	-
Net cash used in Operating Activities	30	**336,939**	**(1,790,473)**
Cash Flows from Investing Activities			
Net payments for acquisition of Betta group	13	(959,624)	-
Proceeds from disposal of property, plant and equipment		227,800	-
Payments for property, plant and equipment		(70,528)	(38,356)
Proceeds/ (payments) for financial assets		59,000	(159,000)
Payments for security bonds		(9,542)	-
Proceeds from security bonds		12,097	-
Net cash used in Investing Activities		**(740,797)**	**(197,356)**
Cash Flows from Financing Activities			
Proceeds from capital raisings		1,342,000	2,250,000
Payment for capital raising costs		(120,812)	(124,500)
Proceeds from borrowings		600,000	-
Repayment of borrowings		(252,000)	-
Principal repayment of lease liability		(165,952)	(91,231)
Net cash provided by Financing Activities		**1,403,236**	**2,034,269**
Cash and cash equivalents at the beginning of year		1,371,549	1,325,148
Net increase/(decrease) in cash and cash equivalents		999,378	46,440
Effects of foreign exchange		(13)	(39)
Cash and cash equivalents at the end of year	7	**2,370,914**	**1,371,549**

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

The financial report covers the consolidated entity of Orcoda Limited and controlled entities ("consolidated entity"). Orcoda Limited is a listed public company, incorporated and domiciled in Australia.

The financial report was authorised for issue on 23 September 2021 by the Board of Directors.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

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

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 33.

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

The Directors believe that it is reasonably foreseeable that, despite COVID-19 impacting the group, the consolidated entity will continue as a going concern after consideration of the following factors:

- the Company has been cash flow positive for all four quarters of FY21;
- the Company traded profitably in both halves of FY21;
- the Company has successfully raised capital as and when required;
- the Company received R&D incentive payments of $458,437 during the current financial year which was related to FY2020, is expecting to receive R&D incentive payments of approximately $515,000 during the next financial year relating to FY2021 and is confident it will receive such payments into the future in respect of R&D expenditure incurred. These amounts are included in the cash flow forecasts;
- Betta group acquisition has substantially contributed to the resource division revenues, profitability and cash flows;
- the cash flow forecasts for the consolidated entity indicate there will be sufficient funds to enable its cash requirements to be met over the 12-month period from the date of this report and sufficient working capital to enable the consolidated entity to meet its debts as and when they fall due; and
- the consolidated entity expects to generate income from existing contracts in accordance with its cash flow forecasts;
- marketing and administration costs are constantly being monitored so that they are kept at minimal levels and reduced where possible to underwrite profitability.

Accordingly, the Directors believe it is appropriate to adopt the going concern basis in the preparation of the financial report.

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

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

AASB 3 Business Combinations
The consolidated entity adopted the amendments to AASB 3 Business Combinations which clarifies that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that, together, significantly contribute to the ability to create output. Furthermore, it clarifies that a business can exist without including all of the inputs and processes needed to create outputs. These amendments were considered and applied for the business combinations entered into by the consolidated entity during the financial year. Refer to Note 13 for the details of business combination during the year.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES (Cont)

New Accounting Standards and Interpretations not yet mandatory or early adopted
Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2021 reporting period and have not been early adopted by the group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Accounting Policies

(a) Principles of consolidation

A controlled entity is any entity Orcoda Limited is exposed or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of controlled entities is contained in Note 11 to the financial statements. All controlled entities have a June financial year end except for SmartTrans Technology (Beijing) Co. Limited and Beijing SmartTrans Import and Export Trade Co. Ltd which have a December financial year end.

All inter-company balances and transactions between entities in the consolidated entity, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistencies with those policies applied by the parent entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where controlled entities have entered or left the consolidated entity during the year, their operating results have been included/excluded from the date control was obtained or until the date control ceased.

Subsidiaries are all those entities over which the consolidated entity has control. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

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

(b) Income tax

The charge for current income tax expense is based on the profit for the year adjusted for any non-assessable or disallowed items. It is calculated using the tax rates that have been enacted or are substantially enacted by the reporting date.

Deferred tax is accounted for using the liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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 is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the consolidated entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the consolidated entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES (Cont)

(c) Plant and equipment

Each class of plant and equipment is carried at cost less any accumulated depreciation and any impairment losses.

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.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight-line basis over their useful lives to the consolidated entity commencing from the time the asset is held ready for use.

The useful lives for each class of depreciable assets are:

Class of Fixed Asset	Useful lives
Plant and equipment	2 to 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.
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 net proceeds with the carrying amount. These gains and losses are taken to profit or loss.

(d) Right-of-use assets

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the consolidated entity expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.
The useful lives for Right-of-use assets are:

	Useful lives
Right-of-use assets	2 to 10 years

The consolidated entity has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less (with no extension options) and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

(e) Impairment of assets

Impairment of financial assets

The consolidated entity recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the consolidated entity's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

Refer to Note 1(r) for impairment of trade receivables.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES (Cont)

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(f) Intangibles
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Research and development
Expenditure during the research phase of a project is recognised as an expense when incurred. Products and software development costs, including the consolidated entity’s route optimisation and mobile data systems technology, are capitalised only when it is probable that the project will be a success considering its commercial and technical feasibility; the consolidated entity is able to use or sell the asset; the consolidated entity has sufficient resources and intent to complete the development; and its costs can be measured reliably. Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use.Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, which is estimated to be 3 to 5 years. During the period of development, the asset is tested for impairment annually.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

(g) Earnings per share

Basic earnings per share is determined by dividing the operating loss after income tax attributable to members of Orcoda Limited by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share are calculated by dividing the operating loss after income tax attributable to members Orcoda Limited by the weighted average number of ordinary shares outstanding during the financial year, adjusted for the effects of all dilutive potential ordinary shares.

(h) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and less bank overdrafts if any.

(i) Revenue and other income recognition

Revenue
The consolidated entity recognises revenue as follows:

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES (Cont)

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

Sale of IP licence
Revenue from the sale of IP licence, where the consolidated entity provides right to access to its intellectual property, is recognised over time on a straight line basis over the 5-year term of the contract with customer.

Rendering of services
Revenue from a contract to provide services is generally recognised over time as the services are rendered based on either a fixed price or an hourly rate. The provision of support for vehicles equipped with software is recognised over time.

Other income
Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset

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

Government grants
Government grants are recognised where these is reasonable assurance that the grant will be received and all attached conditions will be complied with..

(j) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST 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 GST.

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

(k) Provisions

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

(l) Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the consolidated entity's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES (Cont)

(m) Financial costs

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

(n) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

The consolidated entity identified three operating segments - Transport Logistics, Resource Logistics and Healthcare Logistics and this report follows the same segment information.

(o) Foreign Currency Transactions and Balances

Functional and presentation currency
The functional currency of entities within the consolidated entity is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transactions 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 year-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 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 underlying gain or loss is recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

Group companies
The financial results and position of foreign operations, whose functional currency is different from the consolidated entity's presentation currency, are translated as follows:

- assets and liabilities are translated at exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations with functional currencies other than Australian dollars are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. These differences are recognised in profit or loss in the period in which the operation is disposed.

(p) Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the consolidated entity can access at the measurement date; Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES (Cont)

Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

(q) Current and non-current classification

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

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

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

(r) Trade and other receivables

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.
Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

(s) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

(t) Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

(u) Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

(v) Issued capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (Cont)

(w) Employee benefits

Short-term employee benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled and cash-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non-vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:

- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

Market conditions are taken into consideration in determining fair value. Therefore any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity-settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award is treated as if they were a modification.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (Cont)

(x) Discontinued operations

A discontinued operation is a component of the consolidated entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

(y) Non-current assets or disposal groups classified as held for sale

Non-current assets and assets of disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continued use. They are measured at the lower of their carrying amount and fair value less costs of disposal. For non-current assets or assets of disposal groups to be classified as held for sale, they must be available for immediate sale in their present condition and their sale must be highly probable.

An impairment loss is recognised for any initial or subsequent write down of the non-current assets and assets of disposal groups to fair value less costs of disposal. A gain is recognised for any subsequent increases in fair value less costs of disposal of a non-current assets and assets of disposal groups, but not in excess of any cumulative impairment loss previously recognised.

(z) Interests in equity-accounted investees

The consolidated entity's interest in equity-accounted investees is interests in an associate. Associates are those entities in thich the consolidated entity has significant influence but not control over the financial and operating policies. Interest in associates is accounted for using the equity method. It is initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the consolidated entity's share of profit or loss and OCI of equity-accounted investee until the date on which significant influence ceases.

NOTE 2 : FINANCIAL RISK MANAGEMENT

The consolidated entity's activities expose it to a variety of financial risks: market risk (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The consolidated entity's overall risk management program focuses on liquidity and seeks to minimise potential adverse effects on the financial performance of the consolidated entity. The consolidated entity uses different methods to measure different types of risks to which it is exposed. These methods include sensitivity analysis in the case of interest rate risks and ageing analysis for credit risk.

Risk management is carried out by senior management in consultation with the Board of Directors. See Note 31 for the consolidated entity's overall risk management program.

NOTE 3 : CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

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

Allowance for expected credit losses
The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss, grouped based on days overdue, and makes assumptions to allocate an overall expected credit loss rate for each group. These assumptions include recent sales experience and historical collection rates adjusted for forward-looking information.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 3 : CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Cont)

COVID-19 pandemic
Judgement has been exercised in considering the impacts that the Coronavirus (COVID-19) pandemic has had, or may have, on the consolidated entity based on known information. This consideration extends to the nature of the products and services offered, customers, supply chain, staffing and geographic regions in which the consolidated entity operates. Other than as addressed in specific notes, there does not currently appear to be either any significant impact upon the financial statements or any significant uncertainties with respect to events or conditions which may impact the consolidated entity unfavourably as at the reporting date or subsequently as a result of the Coronavirus (COVID-19) pandemic.

Goodwill
The consolidated entity tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 1. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

Impairment of non-financial assets other than goodwill
The consolidated entity assesses impairment of non-financial assets other than goodwill at each reporting date by evaluating conditions specific to the consolidated entity and to the particular asset that may lead to impairment.
If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

Revenue from contracts with customers involving sale of goods
When recognising revenue in relation to the sale of goods to customers, the key performance obligation of the consolidated entity is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 4 : REVENUE AND OTHER INCOME

	Consolidated 2021 $	2020 $
From continuing operations		
Revenue from Contracts with Customers	7,647,419	1,271,764
Research & Development tax incentive	615,469	429,995
	8,262,888	**1,701,759**

Disaggregation of Revenue from Contracts with Customers

**Major service lines*	2021 $	2020 $
Transport logistics	565,761	594,247
Healthcare logistics	704,843	541,428
Resource logistics (including Betta since Dec 2020, see Note 13)	6,048,561	128,584
Other – Parent entity	328,254	7,505
Total	**7,647,419**	**1,271,764**

**Timing of revenue recognition for major service lines*		
Goods transferred at a point in time	909,652	210,986
Services transferred over time	6,737,767	1,060,778
Total	**7,647,419**	**1,271,764**

NOTE 5 : EXPENSES

	2021 $	2020 $
Profit before income tax from continuing operations includes the following specific expenses		
Superannuation expense	131,732	60,256
Short-term lease payments	28,885	67,499

NOTE 6 : INCOME TAX

The consolidated entity does not apply tax consolidation. No income tax is payable by the parent company and the controlled entities except for Betta Group of Companies as they incurred losses for income tax purposes for the year.

	2021 $	2020 $
(a) Current tax expense		
Local income tax expense – current period	4,677	-
(b) Reconciliation		
The prima facie income tax on the profit/(loss) from ordinary activities is reconciled as follows:		
Profit/(loss) from ordinary activities before income tax	444,687	(6,873,873)
Income tax benefit / (expenses) at 27.5%	122,289	(1,890,315)
Tax effect of amounts which are not deductible/(taxable)	10,790	1,070,663
Tax effect of temporary differences	(128,402)	819,652
Income tax	4,677	-
Income tax attributable to continuing operations	4,677	-
Income tax attributable to discontinued operations	-	-
(c) Deferred Tax Assets not recognised:		
Accumulated tax losses	16,628,476	16,756,878
Capital losses not recognised	1,093,920	1,093,920

The consolidated entity also has available for recoupment income tax and capital losses at reporting date. Carried forward tax losses have not been recognised in this years accounts but may be brought to account in future year based on sustainable future profitability.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 7 : CASH AND CASH EQUIVALENTS

	2021	2020
	$	$
Cash at bank	2,370,914	1,371,549
	2,370,914	**1,371,549**

NOTE 8 : TRADE AND SUNDRY RECEIVABLES

	2021	2020
	$	$
Trade receivables	2,073,519	142,622
Sundry receivables	280,562	68,664
	2,354,081	**211,286**

Allowance for expected credit losses
The consolidated entity has recognised nil (2020: nil) in profit or loss in respect of the expected credit losses for the year ended 30 June 2021. Based on the historical recovery of receivables, of its customers and customer payment obligations per contract agreements, the historical loss rates are adjusted for current and forward-looking information on economic factors affecting the Group's customers, including the COVID-19 pandemic. As such the company considers that the estimated expected credit loss is not material for the Group.

Movements in the allowance for expected credit losses are as follows:

	2021	2020
	$	$
Opening balance	-	-
Additional provisions recognised	-	-
Receivables written off during the year as uncollectable	-	-
Closing balance	-	-

(a) Fair value and credit risk

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above.

Refer to Note 31 for information on the risk management policy of the consolidated entity.

NOTE 9 : OTHER CURRENT ASSETS

	2021	2020
	$	$
R&D Incentive Receivable	515,269	429,995
Prepayments	71,105	28,024
	586,374	**458,019**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 10 : DISCONTINUED OPERATIONS

(a) Description

The consolidated entity has classified its e-Commerce business operations in China as held for sale as the business is not in alignment with the consolidated entity's core business proposition. The Company is actively trying to sell the entities.

(b) Financial performance information

	Consolidated 2021 $	Consolidated 2020 $
Other Income	9	13
	9	13
Expenses		
Employee benefits expense	(1,371)	(8,569)
Depreciation expense	-	(1,014)
Consultancy costs	(13,789)	(14,562)
ASIC, audit & tax	(895)	(6,252)
Rental & occupancy	-	(6,492)
Travelling & accommodation	-	(137)
Impairment loss	-	(94,996)
Other expense	(502)	(2,569)
	(16,557)	(134,591)
Profit/(Loss) for the period	(16,548)	(134,578)
Income tax benefit / (expense)	-	-
Profit/(Loss) after income tax from discontinued operations	**(16,548)**	**(134,578)**

(c) Cash Flow information

	2021 $	2020 $
Net cash from / (used in) operating activities	(2,660)	(9,085)
Net cash from investing activities	-	-
Net cash from financing activities	-	-
Effect of foreign exchange	(13)	(39)
	(2,673)	**(9,124)**

(d) Assets of disposal groups classified as held for sale

Assets of the disposal group classified as held for sale comprises Inventories relating to the e-Commerce business, which was impaired to nil in prior year.

(e) Liabilities directly associated with assets held for sale

The liabilities in relation to e-Commerce business is nil as at 30 June 2021.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 11: CONTROLLED ENTITIES

	Place of Incorporation	Equity Holding 2021	Equity Holding 2020
Parent Entity:			
Orcoda Limited (formerly Smarttrans Holdings Ltd)	Australia		
Controlled Entities:			
Orcoda Transport Logistics Limited (formerly Smarttrans Limited)	Australia	100%	100%
SmartTrans Technology (Beijing) Ltd	People's Republic of China	100%	100%
Smartrans (HK) Ltd	Hong Kong	100%	100%
Digi 8 Limited	Hong Kong	100%	100%
Beijing SmartTrans Import and Export Trade Co. Ltd*	People's Republic of China	0%	0%
RC (North Qld) Pty Ltd (sold 51% on 18	Australia	49%	100%
February 2021)	Australia	100%	100%
Resource Connect Holdings Pty Ltd	Australia	100%	100%
Resource Connect Logistics Pty Ltd	Australia	100%	100%
Orcoda Resource Logistics Pty Ltd (formerly Resource Connect Pty Ltd)	Australia	100%	100%
Orcoda Healthcare Logistic Pty Ltd (formerly Icuro Pty Ltd)			
Betta Group of Companies QLD Pty Ltd (acquired on 1 December 2020)	Australia	100%	-

*Orcoda Limited has control over Beijing SmartTrans Import and Export Trade Co. Ltd as the company has the ability to affect any returns through its power to direct the activities of Beijing SmartTrans Import and Export Trade Co. Ltd.

NOTE 12 : LOSS OF CONTROL OVER ENTITIES

On 18 February 2021, Orcoda sold 51% of RC (North Qld) Pty Ltd to Dickerson Technologies Pty Ltd, therefore Orcoda Limited lost control of the operations of RC (North Qld). The impact of the transaction to reporting is that the financial result and the financial position of RC (North Qld) can no longer be consolidated with the Orcoda group as from 18 February 2021. Hence, RC (North Qld) has been deconsolidated from the group and will be accounted for as an associate from 18 February 2021. Results of RC (North Qld) up to the point of deconsolidation have been consolidated in the group's consolidated financial statements. Post-deconsolidation results have been recorded as an equity accounted investment.

The carrying value of RC (North Qld) at the date that control was lost are indicated below:

	18 February 2021 $
Cash	36
Trade and other receivables	56,100
Total assets	56,136
Trade and other payables	5,100
Total liabilities	5,100
Net assets	51,036

51% of RC (North Qld) has been sold to a non-related party. The details of the deconsolidation of RC (North Qld) Pty Ltd and the recognition of the retained investment are as follows:

Consideration	57,000
Carrying value of interest in retention investment	26,028
Gain on disposal of subsidiary	30,972
Fair Value of retained investment	54,765
Carrying value of retained investment	25,008
Gain on retained investment	29,757

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 12: LOSS OF CONTROL OVER ENTITIES (Cont)

Total gain on deconsolidation of RC (North Qld) that was recognised as other income in the statement of profit and loss and other comprehensive income are as follows:

Unrealised gain on retained investment	29,757
Realised gain on disposal of subsidiary	30,972
Total gain on deconsolidation	**60,729**

NOTE 13: BUSINESS COMBINATIONS

Effective 1 December 2020, Orcoda Limited acquired 100% of the ordinary shares of Betta Group of Companies Qld Pty Ltd., because it significantly adds value and efficiency to the business and will optimise the outcome of major infrastructure projects and enables us to deliver better value for our customers. Betta's ISO qualifications will enhance the Resource Logistics division's ability to win new infrastructure projects.

Betta is a long-standing transport services business specialising in road, rail & air infrastructure power services, and also services Oil & Gas and Mining projects. Betta Power Services is the main business, with the focus of the company predominantly on transport infrastructure related projects in Rail, Road and Air for likes of Aurizon, Ergon Energy, Queensland Rail, PowerLink, Q-Build, Australian Defence Force and the Bowen Basin Mining Industry.
Betta concentrates its efforts on niche infrastructure projects where competition is limited, and with access to unique plant & equipment and unique skills, Betta is able to complete such infrastructure projects with a high level of client satisfaction.

The initial accounting for the acquisition of Betta has only been provisionally determined at the end of the year as the company still seeks some additional information that existed as of the acquisition date that may affect the measurement of some current and non-current assets and liabilities.

The total consideration ($5,000,000) for this purchase was paid in the following manner:

a) $2,500,000 in Orcoda fully paid ordinary shares issued at $0.16 per share at settlement (the Shares are escrowed for a period of 12 months from issue date)
b) $1,000,000 cash at settlement; and
c) An 18 month earn-out of between $1,200,000 and $1,500,000 paid in $400,000 to $500,000 instalments every 6 months from settlement (Earn-out), subject to:
    1. The Consideration Cash earn out period of 18 months divided into three 6-month periods whereby between $800,000 and $1,000,000 EBITDA is required to be made by Betta in each of the 6 month periods. If the EBITDA is below $800,000 then no Consideration Cash is payable, however if EBITDA is $800,000 then 80% of the Consideration cash is paid e.g. $400,000, and then in increments up to 100% if $1,000,000 EBITDA is achieved.

Since the Directors believe there is high probability of achieving the EBITDA threshold above, the total amount of deferred contingent liability, $1,500,000 (Earn out) was taken into account in the acquisition calculation below as the fair value of the contingent consideration.

Acquisition-date fair value of the total consideration transferred	$5,000,000
Representing:	
Shares issued to vendor	$2,500,000
Cash paid at settlement	$1,000,000
Deferred contingent consideration (Earn-out)	$1,500,000

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 13: BUSINESS COMBINATIONS (Cont)

Details of the acquisition (business combination accounting is provisional) are as follows:

	Fair value $
Cash and cash equivalents	40,376
Trade and other receivables	2,098,499
Other current assets	78,940
Plant and equipment	3,131,725
Other non-current assets	68,429
Total assets acquired	5,417,969
Trade and other payables	(1,363,320)
Borrowings	(98,821)
Provisions	(237,748)
Non-current liabilities	(673,320)
Total liabilities acquired	(2,373,209)
Net assets acquired	3,044,760
Goodwill arising from acquisition	1,955,240
Fair value of total consideration transferred	5,000,000

The fair value of the trade receivables amounts to $2,072,331 and it is expected that the full contractual amounts can be collected.

The goodwill is attributable to Betta Group of Companies' strong market position and profitability and synergies expected to arise after the acquisition. None of the goodwill is expected to be deductible for tax purposes. Betta has been allocated to our Resource Logistics segment.

Acquisition-related costs amounting to $18,113 have been recognised as an expense in profit or loss for the year ended 30 June 2021.

Effective 1 December 2020, Betta signed a property lease agreement for 3 years. The company recognised the lease liability on that date in line with our accounting policy. The lease liability as well as the Right-of-use assets at initial recognition amounted to $135,690.

Betta contributed to consolidated revenues of $5,502,080 and net profit of $1,245,387 (prior to allocation of internal management) to the group for December 2020 – June 2021 period. Had Betta Group of Companies been acquired on 1 July 2020, the full year Pro forma revenue of the combined entity would have been $12,561,299 and the Pro forma profit after tax of the combined entity would have been $1,777,916 (Betta goup unaudited prior to 1 December 2020).

NOTE 14 : PLANT AND EQUIPMENT	**2021** **$**	**2020** **$**
Plant and equipment		
Cost	3,339,760	149,050
Accumulated depreciation	(284,901)	(115,702)
Total plant and equipment	**3,054,859**	**33,348**
Reconciliations		
Balance at the beginning of the year	33,348	15,798
Additions	106,527	38,356
Additions through business combination (see Note 13)	3,131,725	-
Disposals	(47,542)	-
Depreciation	(169,199)	(20,806)
Carrying amount at the end of year	**3,054,859**	**33,348**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 15 : RIGHT-OF-USE ASSETS

	2021 $	2020 $
Cost (vehicle leases)	165,796	663,183
Less: Accumulated depreciation (vehicle leases)	(49,739)	(90,267)
Total carrying amount of vehicle leases	**116,057**	**572,916**
Cost (property leases)	326,637	111,354
Less: Accumulated depreciation (property leases)	(100,184)	(9,279)
Total carrying amount of property leases	**226,453**	**102,075**
Total right-of-use assets	**342,510**	**674,991**

NOTE 16 : INTANGIBLE ASSET

	2021 $	2020 $
Software at Cost	155,650	155,650
Less :Accumulated amortisation	(155,650)	(155,650)
Total Software	-	-
Goodwill	12,986,585	11,031,345
Less: Impairment	(4,323,315)	(4,323,315)
Total Goodwill	**8,663,270**	**6,708,030**
Other intangible assets		
Franchise	49,847	-
Intellectual Property	19,800	-
IP Licences	236,126	-
Less: Impairment	(236,126)	-
Less :Accumulated amortisation	(19,800)	-
Total other intangible assets	**49,847**	-

	2021 $	2020 $
Intangible Asset		
Balance at the beginning of the year	6,708,030	11,085,923
Additions	2,269,168	-
Disposals	-	(100)
Amortisation	(27,955)	(54,477)
Impairment	(236,126)	(4,323,315)
Carrying amount at the end of year	**8,713,117**	**6,708,030**

Impairment Testing

The above goodwill arose from the historical acquisition of Resource Connect Holdings Pty Ltd and Icuro Pty Ltd on 7 March 2018 and Betta Group of Companies Pty Ltd on 1 December 2020. During the current financial year, management has evaluated its reporting structure and determined that the operations of Healthcare and Resources sectors generate cash inflows that are largely independent of each other and therefore are classified as two separate cash-generating units (CGU) in accordance with definition of CGU in Note 1. Goodwill on acquisition has therefore been allocated across Resource and Healthcare CGUs based on the relative values of each CGU.

	Healthcare $	Resource $	Total $
Goodwill			
Balance at the beginning of the year	2,398,692	4,309,338	6,708,030
Additions- Betta group	-	1,955,240	1,955,240
Impairment	-	-	-
Carrying amount at the end of the year	**2,398,692**	**6,264,578**	**8,663,270**

The recoverable amount of the goodwill has been determined by a value-in-use calculation using a discounted cash flow model for 5 years with a forecast terminal valuation.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 16 : INTANGIBLE ASSET (Cont)

Key assumptions are those to which the recoverable amount of the CGU is most sensitive.

The following key assumptions were used in the discounted cash flow model of the CGU to which goodwill has been allocated:
(a) Healthcare CGU

- Pre-tax discount rate: 27% (2020: 40%);
- Revenue forecasts for FY2022 and FY2023 are based on management's actual secured contract in hand and estimate of new contracts to be secured during these years;
- Revenue forecasts for period from FY2023 to FY2026 are based on managemententent's estimate of a compound annual growth rate of 5%; and
- Operating costs and overheads can be managed at minimal levels due to the nature of the Group's principal activities which are software-based.

(b) Resource CGU

- Pre-tax discount rate: 21% (2020: 20%);
- Revenue forecasts for FY2022 and FY2023 are based on management's actual secured contract in hand and estimate of new contracts to be secured during these years;
- Revenue forecasts for period from FY2023 to FY2026 are based on on managemententent's estimate (ranging between 0%-10%) ; and
- Operating costs and overheads can be managed at minimal levels due to the nature of the Group's principal activities which are software-based.

Based on the above, no impairment was noted at 30 June 2021.

Sensitivity
As disclosed in Note 3, the directors have made judgements and estimates in respect of key assumptions used in the impairment testing of goodwill. Should these judgements and estimates not occur the resulting goodwill carrying amount may decrease.

As revenue represents the key assumption used in the impairment testing, Healthcare CGU's revenue would need to decrease on an annual basis over the projection period by more than 20% and Resource CGU's revenue by more than 25% before goodwill would need to be impaired, with all other assumptions remaining constant.

NOTE 17 : INVESTMENTS IN ASSOCIATES

As disclosed in Note 12, the Orcoda group has disposed of RC (North Qld) and therefore extinguished control during the reporting period, however retains significant influence. Therefore, the investment in this entity is now accounted for as an investment in associates using the equity method.

	2021	2020
	$	$
Interest in associates	54,765	-
	54,765	**-**

The associate has the same year end as the parent entity.

Since the transaction, the associate did not perform any significant business activities during the financial year, therefore its result for the year is not considered material to the consolidated entitiy.

NOTE 18 : TRADE AND OTHER PAYABLES	2021	2020
	$	$
Trade creditors	818,089	231,436
Other payables	573,452	124,238
	1,391,541	**355,674**

NOTE 19: EMPLOYEE BENEFITS	2021	2020
	$	$
Employee benefits – annual leave	145,424	14,094
Employee benefits – long service leave	64,102	5,875
	209,526	**19,969**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 20: LEASE LIABILITY	2021 $	2020 $
Current lease liability - vehicles	31,529	117,189
Current lease liability - property	117,342	54,180
Total current lease liability	**148,871**	**171,369**
Non-current lease liability within 2 years - vehicles	34,438	128,174
Non-current lease liability within 2 years - property	74,215	48,443
Non-current lease liability beyond two years up to five years - vehicles	57,456	343,453
Non-current lease liability beyond two years up to five years - property	39,826	-
Total non-current lease liability	**205,935**	**520,070**

NOTE 21: CONTRACT LIABILITY	2021 $	2020 $
Amounts expected to be recognised as licencing income		
Contract liability within 1 year	80,000	270,000
Contract liability within 2 years	80,000	270,000
Contract liability beyond 2 years but up to 5 years	120,000	624,412
Total contract liability	**280,000**	**1,164,412**

NOTE 22: FINANCIAL LIABILITY

	Consolidated 2021 $	2020 $
Short term borrowings (see Note 26.b)	400,000	-
Current proportion of cash earn-out being a part of the consideration for acquiring Betta (see Note 13)	1,000,000	-
Total current financial liability	**1,400,000**	**-**
Non-current proportion of cash earn-out being a part of the consideration for acquiring Betta (see Note 13)	500,000	-
Funds owing from Betta to Geoffrey Williams (see Note 26.b)	595,835	-
Total non-current financial liability	**1,095,835**	**-**

NOTE 23: ISSUED CAPITAL	2021 $	2020 $
Ordinary shares issued and fully paid	**100,359,319**	**95,356,131**

Ordinary Shares	2021 Number	2020 Number
At beginning of the year	116,038,532	101,976,032
Shares issued total during the financial year	31,554,412	14,062,500
At end of year	**147,592,944**	**116,038,532**

Ordinary Shares issued during the year

Issue date	Notes	Number of shares	Price per share ($)	Value ($)
11 December 2020	Relates to the acquisition of Betta Group. More details here.	15,625,000	0.16	2,500,000
12 February 2021	As approved by the AGM on 28th January 2021. More details in the Explanatory Notes to the Notice of Annual General Meeting.	8,400,000	0.16	1,344,000*
15 March 2021		7,529,412	0.17	1,280,000
	Share issue costs			(120,812)
		31,554,412		**5,003,188**

* Out of this amount $1,282,000 was conversion of debt to equity and purchase of assets and $62,000 was cash capital raise.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 23: ISSUED CAPITAL (Cont)

Ordinary Shares issued during 2020

Issue date	Notes	Number of shares	Price per share ($)	Value ($)
2 September 2019		6,562,500	0.16	1,050,000
5 March 2020		7,500,000	0.16	1,200,000
	Share issue cost			(124,500)
		14,062,500		2,125,500

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on show of hands.

Capital Management

Management controls the capital of the consolidated entity, provide the shareholders with adequate returns and ensure that the consolidated entity can fund its operations and continue as a going concern.

There are no externally imposed capital requirements.

Management effectively manages the consolidated entity's capital by assessing the consolidated entity's financial risks on a monthly basis and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

There have been no changes in the strategy adopted by management to control the capital of the consolidated entity since the prior year. The consolidated entity's gearing ratio has always been very low but there is the ability to increase our debt to equity ratio now we are profitable by taking on debt rather than continuing to raise equity which is dilutive for shareholders.

NOTE 24 : KEY MANAGEMENT PERSONNEL DISCLOSURES

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

	2021 $	2020 $
Short-term employee benefits	525,364	408,535
Post-employment benefits	-	-
Share-based payments	-	217,500
Termination benefits	-	-
	525,364	**626,035**

NOTE 25 : REMUNERATION OF AUDITORS

	2021 $	2020 $
Remuneration of the auditor of the parent entity for:		
Audit services - BDO Audit Pty Ltd		
Audit and half-year review of the financial statements	145,000	101,402
Other services	-	3,320
	145,000	**104,722**

NOTE 26 : RELATED PARTY INFORMATION

(a) Parent entity
Orcoda Limited is the parent entity.

(b) Subsidiaries
Interests in subsidiaries are set out in Note 11.

(c) Key management personnel
Disclosures relating to key management personnel are set out in Note 24 and the remuneration report in the Directors' report.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 26 : RELATED PARTY INFORMATION (Cont)

(d) Payables to related parties

	2021 $	2020 $
Payable to Harkiss Minerals Discovery (director related entity of Nicholas Johansen)	9,625	2,083
Payable to Gebraja Group of Companies (director related entity of Geoffrey Williams)	400,000	-
Payable to Gebraja Group of Companies (director related entity of Geoffrey Williams) *	595,835	
Payable to Pacific Energy Group (director related entity of Geoffrey Williams)	9,166	-
Payable to Pronk Holdings Pty Ltd (director related entity of Stephen Pronk)	1,375	-
Payable to Sino-Oz Ltd (director related entity of Brendan Mason)	7,750	5,000
Payable to Tamlin Holdings Pty Ltd (director related entity of Geoffrey Jamieson)	89,742	14,896
Payable to Corporate Development Mentors Pty Ltd (subsidiary director related entity of Warren Preston)	9,166	6,875
Payable to GJK Company Pty Ltd (related entity of Greg Khan, former KMP)	-	9,167
Payable to Hardman Services Pty Ltd (subsidiary director related entity of Sean Hardman)	5,555	5,540
Payable to SGA Services Pty Ltd (subsidiary director related entity of Simon Anthonisz)	9,166	11,928
	541,545	**55,489**

* The amount relates to dividends payable by Betta Group to Geoffrey Williams from periods prior to the effective acquisition date of 1st December 2020.

Gebraja Group of Companies Pty Ltd (director related entity of Geoffrey Williams) provided a short-term loan to Betta group (loan amount: $400,000, term 12 months). This facility has the same or better terms and conditions as offered by an independent lender as it is interest-free.

(e) Receivables from related parties

There was no receivables from related parties as at 30 June 2021 (2020: nil).

In March 2021, Betta Group has entered into a Subcontract Agreement with Pacific Energy Group Pty Ltd to provide materials (power poles and pole infrastructure), installation and labour to one of Pacific Energy's clients adopting a profit share arrangement with Betta receiving 90% of project profits and Pacific Energy receiving 10%. The term of the Subcontract Agreement is 11 months. Pacific Energy is a related party of Mr Geoffrey Williams, however Mr Williams did not participate in Orcoda Board discussions as to the merits, arms length exception status, and other Board considerations required to facilitate Betta entering into the contract.

The total receivables from Pacific Energy Group is $268,196 on 30 June 2021. The full outstanding amount has been received in July 2021.

(f) Transactions with related parties

Sales of goods and services during the period (exclusive of GST):

	2021 $	2020 $
Sale of licenses to Tamlin Holdings Pty Ltd (director related entity of Geoffrey Jamieson) & Hilda Jamieson	-	150,000
Sale of licenses to Pronk Holdings Pty Ltd (director related entity of Stephen Pronk)	-	450,000
Sale of license to Harkiss Mineral Discovery Pty Ltd (director related entity of Nicholas Johansen)	-	50,000
Sale of license to GJK Company Pty Ltd (related entity of Greg Khan, KMP)	-	100,000
	-	**750,000**

Besides the licenses disclosed above (which entitles the licensee to operate a vehicle rental business), where the licensee has purchased a new vehicle for $58k, the vehicle is rented to Orcoda Healthcare Logistics Pty Ltd to operate its aged and disability community transport business and therefore the Licensee receives a rental income and revenue share for a gross payment of $1,875 per month (under the license agreement the licensee is required to pay to Orcoda Healthcare Logistics Pty Ltd a software license fee of $200 per month and a management fee of $167 per month) resulting in net payment of $1,508 per month per vehicle growing at approximately 5% per annum.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 26 : RELATED PARTY INFORMATION (Cont)

The licences were purchased back from Tamlin Holdings, Pronk Holdings and Harkiss Mineral Discovery on 12th February 2021 as approved by shareholders at the AGM held on 28th January 2021 along with non-related party licences. The buyback decision was in response to the significant impact COVID 19 had on the IP licence business model of the Healthcare division which resulted in it being discontinued. As a result, Healthcare division could lower its overhead expense.

The above transactions were the same as what was being offered to members of the public and each was approved by the Independent Directors with the Director associated with each resolution not being in the meeting when the resolution was voted on.

Goods and services received during the period (exclusive of GST):

	2021 $	2020 $
Consultancy services from Harkiss Minerals Discovery (director related entity of Nicholas Johansen)	43,750	43,752
Consultancy services from Pacific Energy Group Pty Ltd (director related entity of Geoffrey Williams)	25,000	-
Consultancy services from Pronk Holdings Pty Ltd (director related entity of Stephen Pronk)	3,750	7,500
Capital Raising fee to Pronk Holdings Pty Ltd (director related entity of Stephen Pronk)	-	26,250
Consultancy services from Tamlin Holdings Pty Ltd (director related entity of Geoffrey Jamieson)	284,375	259,375
Capital Raising fee to Tamlin Holdings Pty Ltd (director related entity of Geoffrey Jamieson)	-	26,250
Consultancy services from Sino-Oz Ltd (director related entity of Brendan Mason)	26,250	26,250
Consultancy services from Garrison Group Trading Trust (past director related entity of Scott Mclntosh)	-	9,883
Consultancy services from Corporate Development Mentors Pty Ltd (subsidiary director related entity of Warren Preston)	100,000	131,250
Consultancy services from SGA Services Pty Ltd (subsidiary director related entity to Simon Anthonisz)	99,996	131,250
Consultancy services from Hardman Services Pty Ltd (subsidiary director related entity to Sean Hardman)	60,000	127,500
Consultancy services from GJK Company Pty Ltd (related entity to Greg Khan*)	115,150	71,658
Commission fees to GJK Company Pty Ltd (related entity to Greg Khan*)	30,250	93,200
	788,521	**954,118**

* Mr. Khan resigned on 13 June 2021.

Loans and related interest paid:

2021	Opening balance $	Amount provided during the year $	Amount repaid during the year $	Interest paid	Closing balance
Short term loan from director related entities	-	600,000	200,000	7,500	400,000

The short term loans provided by related parties have the same or better terms and conditions as offered by an independent lender

NOTE 27 : EARNINGS PER SHARE

	Consolidated 2021 $	 2020 $
Profit (loss) after income tax from continuing operations used in calculating earnings per share	456,558	(6,739,295)
Profit (loss) after income tax from discontinued operations used in calculating earnings per share	(16,548)	(134,578)
Profit (loss) after income tax attributable to owners of Orcoda Limited used in calculating earnings per share	440,010	(6,873,873)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 27 : EARNINGS PER SHARE (Cont)

	Number	Number
Weighted average number of ordinary shares		
Weighted average number of ordinary shares used in calculating basic earnings per share	130,112,577	109,701,442
Adjustments for calculation of diluted earnings per share	-	-
Weighted average number of ordinary shares used in calculating diluted earnings per share	130,112,577	109,701,442

	Consolidated	
	2021 cents	**2020 cents**
Earnings (loss) per share (basic and diluted) from continuing operations	0.35	(6.14)
Earnings (loss) per share (basic and diluted) from discontinued operations	(0.01)	(0.12)
Earnings (loss) per share (basic and diluted) for profit (loss) attributable to owners of Orcoda Limited	0.34	(6.26)

NOTE 28 : SEGMENT INFORMATION

The results of segments that are significant to an understanding of the business as a whole.

(a) Description of segments

The consolidated entity has identified its operating segments based on internal reports (see Note 1.n).

The consolidated entity identified three operating segments - Transport Logistics, Resource Logistics and Healthcare Logistics. E-commerce segment refers to the former business operation in China, which has been ceased, hence there were no revenues in the for the current period for that segment.

Pursuant to acquisition of the Betta Group of Companies, the consolidated entity identified Betta as a part of the Resource Logistics division, therefore Betta has been included in the Resource Logistics segment for the month December.

(b) Segment information

The below segment summary shows operating results (including R&D incentive income) and assets and liabilities by segments:

For the year ended 30 June 2021			**Consolidated**		
	Transport logistics $	**Resource logistics $**	**Healthcare logistics $**	**E-commerce $**	**Total $**
Segment revenues	1,558,006	6,409,237	851,992	-	8,819,235
Segment profit / (loss)	51,647	1,336,367	(62,257)	(16,548)	1,309,209

For the year ended 30 June 2020			**Consolidated**		
	Transport logistics $	**Resource logistics $**	**Healthcare logistics $**	**E-commerce $**	**Total $**
Segment revenues	965,007	166,318	702,644	-	1,833,969
Segment profit / (loss)	(360,054)	(142,195)	(788,436)	(134,578)	(1,425,263)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 28 : SEGMENT INFORMATION (Cont)

Reconciliation of reportable segment revenue to consolidated revenue

	2021 $	2020 $
Total segment revenue	8,819,235	1,833,969
Interest income	7,680	504
Total revenue	**8,826,915**	**1,834,473**
Disclosed as:		
Revenue from continuing operations	8,826,906	1,834,460
Revenue from discontinued operations (see Note 10)	9	13
Total revenue	**8,826,915**	**1,834,473**

Reconciliation of reportable segment loss to consolidated profit/(loss)

	2021 $	2020 $
Total profit/(loss) for reportable segments	1,309,209	(1,425,263)
Corporate costs	(869,199)	(5,448,610)
Profit/(Loss) after income tax	**440,010**	**(6,873,873)**
Disclosed as:		
Profit/(loss) from continuing operations	456,558	(6,739,295)
Loss from discontinued operations (see Note 10)	(16,548)	(134,578)
Profit/(Loss) before/after income tax for the year	**440,010**	**(6,873,873)**

	Transport logistics $	Resource logistics $	*Consolidated* Healthcare logistics $	E-commerce $	Total $
Segment assets					
30 June 2021	438,244	5,858,678	360,524	1,504	6,658,950
30 June 2020	343,685	132,717	944,623	4,177	1,425,202
Segment liabilities					
30 June 2021	147,403	2,258,014	441,343	(16,250)	2,830,510
30 June 2020	145,604	113,128	1,790,904	(4,441)	2,045,195

Reconciliation of reportable segment assets to consolidated assets

	2021 $	2020 $
Reportable segment assets	6,658,950	1,425,202
Unallocated Assets	10,917,670	8,191,021
Total Assets	**17,576,620**	**9,616,223**

Reconciliation of reportable segment liabilities to consolidated liabilities

	2021 $	2020 $
Reportable segment liabilities	2,830,510	2,045,195
Unallocated Liabilities	1,901,198	186,300
Total Liabilities	**4,731,708**	**2,231,495**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 29 : COMMITMENTS AND CONTINGENT LIABILITIES

(a) Capital Expenditure

There are no capital expenditure commitments as at 30 June 2021 (2020: nil).

(b) Contingent Liabilities and Contingent Assets

The Company and its controlled entities have no known material contingent assets as at 30 June 2021 (2020: nil).

The consolidated entity has $102,273 (exclusive of GST) contingent liabilities as a part its contract with Mt Buller and Mt Stirling Management Board. This amount is contingent on the Company generating future revenue (2020: 144,280). The adjustment of the amount of contingent liability may be adjusted within the provisions of the exceptional circumstance's clauses in the agreement between Mt Buller and Mt Stirling Management Board and Orcoda.

NOTE 30 : NOTES TO THE STATEMENT OF CASH FLOWS

During FY21, the consolidated entity received $20,000 from the Victorian Government (Business Support Fund 3 and Business Support Fund – Expansion).

Reconciliation of net cash used in operating activities to net profit/loss

	Consolidated	
	2021	**2020**
	$	$
Operating profit/(loss) after income tax	440,010	(6,873,873)
Adjustments for		
Depreciation and amortisation	418,579	174,811
Income tax expense	4,677	-
Write off of accrual	(58,606)	(35,090)
Equity based payment	-	217,500
Foreign exchange differences	16,986	(76,346)
Doubtful debt written off	-	(37,359)
Impairment loss	236.126	4,418,311
Adjustment for R&D	51,759	(14,789)
Adjustment for asset sale	77,838	-
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	(2,142,795)	(176,240)
(Increase)/decrease in inventories	-	86,348
(Decrease)/increase in trade creditors	1,145,889	(87,626)
(Increase)/decrease in prepayments	(43,081)	(25,735)
(Decrease)/increase in provisions and prepaid licensing income	189,557	639,615
Net cash inflow (outflow) from operating activities	**336,939**	**(1,790,473)**

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 31 : FINANCIAL INSTRUMENTS

The consolidated entity classified a term deposit of $100,000 at a commercial bank as current other financial asset. It serves as a security for the contingent liability disclosed in Note 29.b.

Market risk

(a) Foreign currency risk

The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The consolidated entity's exposure to foreign currency risk relates primarily to the Chinese Renminbi.

The risk is measured using sensitivity analysis and cash flow forecasting.

For the current financial year, the consolidated entity has no material exposure to foreign currency risk due to its China operations that are now discontinued and held for sale.

(b) Interest rate risk

The consolidated entity's exposure to market risk for changes in interest rates relates primarily to interest on deposits with banking institutions.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the consolidated entity. The consolidated entity has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balance are monitored on an ongoing basis with the result that consolidated entity's exposure to debt is minimal. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, as disclosed in the statement of financial position and notes to the financial statements. The consolidated entity does not hold any collateral.

The consolidated entity has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the consolidated entity based on recent sales experience, historical collection rates and forward-looking information that is available.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 1 year.

Liquidity risk

The consolidated entity's has appropriate procedures in place to manage cash flows including continuing monitoring of forecast and actual cash flows to ensure funds are available to meet commitments.
There are no unused borrowing facilities at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 31 : FINANCIAL INSTRUMENTS (Cont)

The following table details the consolidated entity's financial instrument composition and maturity analysis:

	Weighted average effective interest rate	1 year or less $	Between 1 and 2 years $	Between 2 and 5 years $	Over 5 years $	Total $
2021						
Financial assets						
Interest bearing						
Cash at bank	0.01%	2,370,914	-	-	-	2,370,914
Term Deposits	0.93%	100,000	-	-	-	100,000
Non-interest bearing						
Receivables	-%	2,354,081	-	-	-	2,354,081
Other receivables (R&D tax incentive)	-%	515,269	-	-	-	515,269
		5,340,264	**-**	**-**	**-**	**5,340,264**
Financial liabilities						
Interest bearing						
Lease liability	5.59%	148,871	108,653	97,282	-	354,806
Non-interest bearing						
Payables	-%	1,391,541	-	-	-	1,391,541
Other financial liabilities		1,400,000	1,095,835			2,495,835
		2,940,412	**1,204,488**	**97,282**	**-**	**4,242,182**
Net financial liabilities		**(2,399,852)**	**1,204,488**	**97,282**	**-**	**(1,098,082)**
2020						
Financial assets						
Interest bearing						
Cash at bank	0.01%	1,371,549	-	-	-	1,371,549
Term Deposits	0.93%	159,000	-	-	-	159,000
Non-interest bearing						
Receivables	-%	211,286	-	-	-	211,286
Other receivables (R&D tax incentive)	-%	429,995	-	-	-	429,995
		2,171,830	**-**	**-**	**-**	**2,171,830**
Financial liabilities						
Interest bearing						
Lease liability	6.45%	171,369	176,617	343,453	-	691,439
Non-interest bearing						
Payables	-%	355,674	-	-	-	355,674
		527,043	**176,617**	**343,453**	**-**	**1,047,113**
Net financial liabilities		**(1,644,787)**	**176,617**	**343,453**	**-**	**(1,124,717)**

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

NOTE 32 : EVENTS AFTER REPORTING PERIOD

The impact of the Coronavirus (COVID-19) pandemic is ongoing and has had an impact on operations at Mt Buller which caused a reduction in revenue over expected revenue during July August and September of FY22.

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

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 33 : PARENT ENTITY STATEMENT OF FINANCIAL POSITION

	Company	
	2021	**2020**
	$	**$**
Total Current Assets	2,172,528	1,376,866
Total Non-Current Assets	12,570,059	10,327,528
TOTAL ASSETS	**14,742,587**	**11,704,394**
Total Current Liabilities	1,404,793	140,676
Total Non-Current Liabilities	500,000	48,443
TOTAL LIABILITIES	**1,904,793**	**189,119**
NET ASSETS	**12,837,794**	**11,515,275**
Equity		
Issued capital	100,359,319	95,356,132
Reserves	72,400	546,755
Accumulated losses	(87,593,925)	(84,387,612)
TOTAL EQUITY	**12,837,794**	**11,515,275**
Profit / (Loss) for the year	**93,687**	**(3,776,447)**
Other comprehensive income/(loss) for the year	-	-
Total comprehensive loss for the year	**93,687**	**(3,776,447)**

The parent entity had no capital commitments and no contingent liabilities as at 30 June 2021 (2020: nil).

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2021

NOTE 34 : SHARE BASED PAYMENTS

(i) During the year, the Company issued no shares to directors in lieu of previous year's director fees.

(ii) During the year, the Company granted no options to external parties for services received in relation to capital raising activities.

(iii) A summary of company options issued is set out below:

Grant date	Expiry date	Exercise price	Balance at the start of the year	Granted	Exercised	Expired / forfeited	Balance at the end of the year
7/03/2018	7/03/2021	$0.5625	2,000,000	-	-	2,000,000	-
5/06/2018	5/03/2021	$0.5625	200,000	-	-	200,000	-
27/9/2019	27/9/2022	$0.5	100,000	-	-	-	100,000
17/01/2020	17/01/2023	$0.5	12,000,000	-	-	-	12,000,000
			14,300,000	-	-	2,200,000	12,100,000
Weighted average exercise price			$0.51	-	-	-	$0.50

The weighted average remaining contractual life of options outstanding at year-end was 18.54 months.

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INDEPENDENT AUDITOR'S REPORT

To the members of Orcoda Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Orcoda Limited(the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2021, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, 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 2021 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *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 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 report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment assessment of Goodwill and determination of Cash Generating Units ("CGU's")

Key audit matter	*How the matter was addressed in our audit*
Refer to note 16 of the financial report. Given the level of complexity and the judgement exercised by the Group in determining the recoverable amount of each Cash Generating Unit (CGU) and calculating the impairment charges, this area is a key audit matter.	The following procedures were performed: • Reviewed management's impairment assessment for the goodwill balance, together with position papers justifying the various assumptions in the model, including cash generating units identified, discount rates applied, and terminal value multiples applied • Critically assess management's position, investigate forecasts, challenge assumptions and form an opinion on: i. whether the impairment assessment is in accordance with AASB 136 ii. the reasonableness of the forecast future cashflows iii. whether goodwill appears to be materially impaired

Business Combination Accounting

Key audit matter	*How the matter was addressed in our audit*
During the year, the group acquired Betta Group of Companies ('Betta'), representing a group of four entities providing services under the Resources division. As disclosed in Note 13, as part of this business combination transaction, the Group recognised the following additional intangible assets: • Goodwill Business combinations is a key audit matter due to the significant audit effort to test the group's acquisitions during the year and the level of judgement applied in evaluating management's provisional assessment of goodwill allocated in the purchase.	• Our procedures included, amongst others: • Obtaining an understanding of the transaction including an assessment of the accounting acquirer and whether the transaction constituted a business or an asset acquisition • Reviewing purchase documentation including contracts and business sale agreements and obtaining a detailed understanding of the acquired businesses • Assessing the appropriateness of the valuation methodology of the assets acquired • Reviewing management's assessment of the fair value of the consideration paid and the recognition of any deferred consideration upon the acquisition date • Evaluating management's assessment of the identifiable assets and liabilities acquired including reviewing independent asset valuation for the acquisition of Betta • Assessing the adequacy of the Group's disclosures of the acquisition.

Going Concern

Key audit matter	*How the matter was addressed in our audit*
As disclosed in Note 1, Going Concern is assessed by management and directors as part of the preparation of the financial statements. Going Concern was a key audit matter due to the historical position of the Group including accumulated losses and the significant audit effort required to test the group's ability to meet their obligations when they fall due.	BDO performed a detailed review of management's assessment of going concern including review of the Board approved budget and cash flow forecast for the 12 months beyond the date the 30 June 2021 financial statements are signed. Our procedures included: • Assessing the reasonableness of management's inputs, including the assumptions applied in cash flow forecasts provided by management to ensure consistency with management's stated business and operational objectives, and check the calculation to ensure the accuracy of the underlying financial data • Reviewed Government assistance provided, accounting treatment and impact on the operations • Reviewed management's track record with respect to forecast accuracy • Reviewed minutes, ASX announcements and enquired with management regarding any matters, which support or mitigate our initial risk assessment of the probability of going concern issues. • Considering the cash reserves and facilities potentially available to management

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2021, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 15 to 20 of the directors' report for the year ended 30 June 2021.

In our opinion, the Remuneration Report of Orcoda Limited, for the year ended 30 June 2021, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

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

BDO Audit Pty Ltd

BDO

Cameron Henry

Director

Brisbane, 23 September 2021

ADDITIONAL INFORMATION

Additional information required under ASX Listing Rule 4.10 and not shown elsewhere in this Annual Report is as follows. This information is current as at 14 September 2021.

(a) Substantial Shareholders

The names of the Substantial Shareholders listed in the Company's Register as at 17 September 2021

Shareholder	No. of Shares
Geoffrey Leonard Williams	15,625,000
CS Third Nominees Pty Limited	13,060,772
Pronk Holdings	12,293,750
HSBC Custody Nominees (Australia) Limited – A/C	10,479,761
Tamlin Superannuation Fund	10,182,854
Halcyon United Pty Ltd <Mcintosh Family No 1 A/C >	8,764,104
Hardman FIFO Pty Ltd <Hardman FIFO A/C >	8,764,104
Janegold Pty Ltd <CICO A/C >	8,089,104

This table discloses Relevant Interests in shares as defined by the Corporations Act and does not reflect beneficial interests in shares.

(b) Twenty Largest Shareholders

The names of the twenty largest shareholders fully paid shares in the Company at 17 September 2021:

		No. of Ordinary Fully Paid Shares Held	Percentage Held Issued Ordinary Capital
1.	Geoffrey Leonard Williams	15,625,000	10.59
2.	CS Third Nominees Pty Limited	13,060,772	8.85
3.	Pronk Holdings Pty Ltd	12,293,750	8.33
4.	HSBC Custody Nominees (Australia) Limited	10,479,761	7.10
5.	Tamlin Superannuation Fd	10,182,854	6.90
6.	Halcyon United Pty Ltd	8,764,104	5.94
7.	Hardman FIFO Pty Ltd	8,764,104	5.94
8.	Janegold Pty Ltd	8,089,104	5.48
9.	Dymocks Securities Pty Limited	5,432,714	3.68
10.	BNP Paribas Nominees Pty Ltd Acf Clearstream	4,201,923	2.85
11.	MCCB Investments Pty Ltd	3,795,471	2.57
12.	Blamnco Trading Pty Ltd	3,000,000	2.03
13.	Bid Pty Ltd	2,500,000	1.69
14.	Tulip Super Pty Ltd	2,000,000	1.36
15.	Citicorp Nominees Pty Limited	1,745,521	1.18
16.	Sino-Oz Limited	1,429,247	0.97
17.	Mardon Super Pty Ltd	1,259,000	0.85
18.	Ben Edward Read	1,250,000	0.85
19.	Jaroma Qld Pty Ltd	1,250,000	0.85
20.	Mrs Louise Anne Read	1,250,000	0.85
		116,373,325	**78.85%**

SHAREHOLDER INFORMATION (Cont.)

(c) Distribution of Shareholders

(i) Ordinary Shareholders

Spread of Holding	Holders	Shares Held	% of Issued Capital
1 - 1,000	965	375,516	0.25
1,001 - 5,000	553	1,283,554	0.87
5,001 - 10,000	173	1,219,362	0.83
10,001 - 100,000	250	7,566,023	5.13
100,001 and over	86	137,148,489	92.92
	2,027	147,592,944	100.00

(d) Geographic Breakdown of Shareholders

Location	Units	% Units	Holders	% Holders
Australian Capital Territory	202,664	0.14	33	1.63
New South Wales	45,918,933	31.11	635	31.33
Northern Territory	371,176	0.25	15	0.74
Queensland	86,169,947	58.38	339	16.72
South Australia	600,075	0.41	85	4.19
Tasmania	562,545	0.38	30	1.48
Victoria	7,007,902	4.75	557	27.48
Western Australia	1,833,792	1.24	264	13.02
<Invalid Location>	1,087	0.00	3	0.15
Total Australian Holders	**142,668,121**	**96.66**	**1,961**	**96.74**
BRUNEI DARUSSALAM	334	0.00	1	0.05
CHINA	795,267	0.54	4	0.20
FRANCE	1,334	0.00	1	0.05
GERMANY	17,490	0.01	3	0.15
HONG KONG	2,868,530	1.94	6	0.30
MALAYSIA	2,458	0.00	2	0.10
NEW ZEALAND	1,013,730	0.69	31	1.53
PANAMA	22,471	0.02	1	0.05
SINGAPORE	8,338	0.01	10	0.49
TAIWAN	179,218	0.12	1	0.05
UNITED ARAB EMIRATES	267	0.00	1	0.05
UNITED KINGDOM	15,386	0.01	5	0.25
Total Overseas Holders	**4,924,823**	**3.34**	**66**	**3.26**
Grand Total	**147,592,944**	**100.00**	**2,027**	**100.00**

(e) Less than marketable parcels of ordinary shares
There are 1,387 shareholders with unmarketable parcels totalling 1,135,883 shares.

(f) Options over Unissued Shares
A total of 12,100,000 unlisted options are on issue as at 17 September 2021.

(g) Restricted Securities
The Company had no restricted securities on issue as at 17 September 2021 .

(h) Voting Rights
In accordance with the Constitution each member present at a meeting whether in person, or by proxy, or by power of attorney, or in a duly authorised representative in the case of a corporate member, shall have one vote on a show of hands, and one vote for each fully paid ordinary share, on a poll. Option holders have no voting rights.

(i) On-Market Buy-Backs
There is no current on-market buy-back in relation to the Company's securities.

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