

SQID Technologies Limited

ABN 44 121 655 472

**Condensed Interim Financial Report (Unaudited) for the three
month period ended - 31 March 2024**

SQID Technologies Limited
Corporate directory
31 March 2024

Directors	Athan Lekkas Michael Clarke Andrew Sterling
Company secretary	Mark Pryn
Registered office	Level 14 440 Collins Street Melbourne VIC 3000
Principal place of business	Level 14 440 Collins Street Melbourne VIC 3000
Auditor	Pitcher Partners Level 38 345 Queen Street Brisbane QLD 4000
Website	sqidtechnologies.com
Stock exchange listing:	Canadian Securities Exchange (CSE:SQID)

SQID Technologies Limited

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General information

The consolidated financial statements cover SQID Technologies Limited as a Group consisting of SQID Technologies Limited and the entities it controlled at the end of, or during, the reporting period. The financial statements are presented in Australian dollars, which is SQID Technologies Limited's functional and presentation currency.

SQID Technologies Limited is a public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 14
440 Collins Street
Melbourne VIC 3000

The financial statements were authorised for issue, in accordance with a resolution of Directors. The Directors have the power to amend and reissue the financial statements.

SQID Technologies Limited
Consolidated statement of financial position
As at 31 March 2024

	Note	Consolidated 31 Mar 2024 \$	31 Dec 2023 \$
Assets			
Current assets			
Cash and cash equivalents		49,971	65,368
Receivables		15,783	17,568
Total current assets		<u>65,754</u>	<u>82,936</u>
Non-current assets			
Other financial assets		75,568	75,568
Total non-current assets		<u>75,568</u>	<u>75,568</u>
Total assets		<u>141,322</u>	<u>158,504</u>
Liabilities			
Current liabilities			
Trade and other payables		58,727	58,406
Total current liabilities		<u>58,727</u>	<u>58,406</u>
Total liabilities		<u>58,727</u>	<u>58,406</u>
Net assets		<u>82,595</u>	<u>100,098</u>
Equity			
Issued capital	6	8,824,267	8,824,267
Accumulated losses		<u>(8,741,672)</u>	<u>(8,724,169)</u>
Total equity		<u>82,595</u>	<u>100,098</u>

Approved by:

"Athanasios Lekkas"

Director

Date: 9 April 2024

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

SQID Technologies Limited
Consolidated statement of profit or loss and other comprehensive income
For the period ended 31 March 2024

	Note	Consolidated 31 Mar 2024 \$	31 Mar 2023 \$
Revenue from contracts with customers (<i>Commission</i>)		48,909	51,520
Interest income		1	1
Expenses			
Consultancy expenses		(39,795)	(112,500)
Listing and registry expenses		(6,922)	(7,206)
Non-executive director fees		(6,000)	(10,000)
Professional fees		(11,250)	(14,764)
Other expenses		(2,446)	(2,631)
Total expenses		<u>(66,413)</u>	<u>(147,101)</u>
Loss before income tax expense from continuing operations		(17,503)	(95,580)
Income tax expense		-	-
Loss after income tax expense from continuing operations		(17,503)	(95,580)
Loss after income tax expense from discontinued operations	3	-	(138,314)
Loss after income tax expense for the period attributable to the owners of SQID Technologies Limited		(17,503)	(233,894)
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period attributable to the owners of SQID Technologies Limited		<u>(17,503)</u>	<u>(233,894)</u>
Total comprehensive income for the period is attributable to:			
Continuing operations		(17,503)	(233,894)
Discontinued operations		-	-
		<u>(17,503)</u>	<u>(233,894)</u>
		Cents	Cents
Earnings per share for loss from continuing operations attributable to the owners of SQID Technologies Limited			
Basic earnings per share	10	(0.12)	(0.66)
Diluted earnings per share	10	(0.12)	(0.66)
Earnings per share for loss from discontinued operations attributable to the owners of SQID Technologies Limited			
Basic earnings per share	10	-	(0.96)
Diluted earnings per share	10	-	(0.96)
Earnings per share for loss attributable to the owners of SQID Technologies Limited			
Basic earnings per share	10	(0.12)	(1.62)
Diluted earnings per share	10	(0.12)	(1.62)

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

SQID Technologies Limited
Consolidated statement of changes in equity
For the period ended 31 March 2024

Consolidated	Issued capital \$	Share-based payments reserve \$	Common control reserve \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 January 2023	8,824,267	-	(532,105)	(7,979,033)	-	313,129
Loss after income tax expense for the period	-	-	-	(233,894)	-	(233,894)
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(233,894)	-	(233,894)
Balance at 31 March 2023	<u>8,824,267</u>	<u>-</u>	<u>(532,105)</u>	<u>(8,212,927)</u>	<u>-</u>	<u>79,235</u>
Consolidated	Issued capital \$	Share-based payments reserve \$	Common control reserve \$	Accumulated losses \$	Non-controlling interest \$	Total equity \$
Balance at 1 January 2024	8,824,267	-	-	(8,724,169)	-	100,098
Loss after income tax expense for the period	-	-	-	(17,503)	-	(17,503)
Other comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(17,503)	-	(17,503)
Balance at 31 March 2024	<u>8,824,267</u>	<u>-</u>	<u>-</u>	<u>(8,741,672)</u>	<u>-</u>	<u>82,595</u>

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

SQID Technologies Limited
Consolidated statement of cash flows
For the period ended 31 March 2024

	Note	Consolidated	
		31 Mar 2024	31 Mar 2023
		\$	\$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		50,694	119,919
Payments to suppliers and employees (inclusive of GST)		<u>(66,092)</u>	<u>(384,652)</u>
		(15,398)	(264,733)
Interest received		1	1
Interest and other finance costs paid		<u>-</u>	<u>(481)</u>
Net cash used in operating activities	11	<u>(15,397)</u>	<u>(265,213)</u>
Net cash from investing activities		<u>-</u>	<u>-</u>
Cash flows from financing activities			
Repayment of borrowings		<u>-</u>	<u>(5,557)</u>
Net cash used in financing activities		<u>-</u>	<u>(5,557)</u>
Net decrease in cash and cash equivalents		(15,397)	(270,770)
Cash and cash equivalents at the beginning of the financial period		<u>65,368</u>	<u>356,113</u>
Cash and cash equivalents at the end of the financial period		<u><u>49,971</u></u>	<u><u>85,343</u></u>

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

SQID Technologies Limited
Notes to the consolidated financial statements
31 March 2024

Note 1. Nature and continuance of operations

The Parent Entity, SQID Technologies Limited is incorporated under the Laws of Australia, specifically the Corporations Act 2001. The registered office and principal place of business of SQID Technologies Limited is located at Level 14 440 Collins St Melbourne, Victoria, 3000, Australia. The Parent Entity's shares are listed on the Canadian Securities Exchange (CSE:SQID).

The Consolidated Entity comprises SQID Technologies Limited as the parent and controlled entities. Refer to note 9 'Interests in subsidiaries'.

The Consolidated Entity may also be referred to as the "Group" and the Parent Entity may also be referred to as the "Company".

During the financial period the principal continuing activities of the Group include:

- to provide merchant services and transaction processing to business merchants and ecommerce customers across both Business to Business (B2B) and Business to Consumer (B2C) segments through its leading partner platform; and
- management of investments.

Note 2. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 March 2024 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2023.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. There were no new mandatory Accounting Standards and Interpretations adopted during the reporting period that had a material impact.

There are a number of new accounting standards, interpretations and amendments that have been issued but are not yet effective. None of these new accounting standards, interpretations and amendments are expected to have a material impact on the financial statements of the group in the period of initial application.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Going concern

The financial statements have been prepared on a going concern basis.

For the period ended 31 March 2024, the Group recorded revenue from contracts with customers of \$48,909 (2023: \$51,520) incurred a net loss of \$17,503 (2023: \$233,894) and had operating cash outflows of \$15,397 (2023: \$265,213). As at 31 March 2024 the Group had a net current assets of \$7,027 (31 December 2023: \$24,530) and net tangible assets of \$82,595 (31 December 2023: \$100,098).

The Directors have concluded that the going concern basis of accounting is appropriate, based on the operating cashflow projections whereby the Company envisages being able to settle its obligations as and when they fall due.

SQID Technologies Limited
Notes to the consolidated financial statements
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Note 3. Discontinued operations

Description

On 10 August 2023, the Group completed the divestment of its esports and gaming operations held by its wholly owned subsidiary, ICON Esports Pty Ltd (ICON).

Financial performance information

	Consolidated
	31 Mar 2023
	\$
Revenue from contracts with customers	85,677
Direct cost	(67,606)
Total revenue	<u>18,071</u>
Employee benefits	(118,971)
Professional fees	(6,100)
Marketing	(4,171)
Consultancies	(15,000)
IT and hosting cost	(4,623)
Other expenses	(7,039)
Finance costs	(481)
Total expenses	<u>(156,385)</u>
Loss before income tax expense	(138,314)
Income tax expense	-
Loss after income tax expense from discontinued operations	<u>(138,314)</u>

Note 4. Other financial assets

	Consolidated	Consolidated
	31 Mar 2024	31 Dec 2023
	\$	\$
<i>Non-current assets</i>		
Shares in unlisted securities ^{(a) (b)}	<u>75,568</u>	<u>75,568</u>

Reconciliation

Reconciliation of the carrying amounts at the beginning and end of the current and previous financial period are set out below:

Opening carrying amount	75,568	200,220
Fair value gains / (losses) through profit or loss	-	(124,652)
Closing carrying amount	<u>75,568</u>	<u>75,568</u>

(a) The Company holds 1,079,545 shares (3.77%) in Sienna Mining Limited which holds land positions in prospective uranium mining geology in Tanzania. The carrying value for the Sienna Mining Limited holding at \$75,568 or \$0.07 per share is in line with the most recent capital raise

(b) On 2 February 2022, the Group acquired 4,260,000 fully paid ordinary shares and 1,065,000 options in MSM Corporation International Limited (MSMCI) under a share placement, for a total investment of \$200,220 or \$0.047 cents per ordinary share acquired. The options have an exercise price of \$0.047 and an expiry date of 31 December 2024. Effective 31 December 2023, the fair value of the investment was assessed to be nil.

Refer to note 8 'Fair value measurement' for further information.

SQID Technologies Limited
Notes to the consolidated financial statements
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Note 5. Intangibles

	Consolidated	
	31 Mar 2024	31 Dec 2023
	\$	\$
<i>Non-current assets</i>		
Cryptocurrencies under development ^(a)	100,000	100,000
Less: Impairment	<u>(100,000)</u>	<u>(100,000)</u>
	<u><u>-</u></u>	<u><u>-</u></u>

(a) On 24 March 2022, the Company announced that it had signed a collaboration agreement with tagSpace Pty Ltd (tagSpace). Under this agreement SQID invested A\$100,000 in a cryptocurrency ITO undertaken by tagSpace. As at 31 December 2022 this investment was fully impaired.

Note 6. Issued capital

	Consolidated			
	31 Mar 2024	31 Dec 2023	31 Mar 2024	31 Dec 2023
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>14,416,827</u>	<u>14,416,827</u>	<u>8,824,267</u>	<u>8,824,267</u>

Ordinary share rights

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Generally, every member present at a meeting in person or by proxy shall have one vote for each share held.

Capital management

Management controls the capital of the Group in order to ensure that the Group can fund its operations and continue as a going concern. There are no externally imposed capital requirements. Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market.

Note 7. Financial instruments

Financial risk management objectives

The Group's operations are exposed the following financial risks:

- Interest rate risk,
- Credit risk,
- Liquidity risk,
- Price risk, and
- Foreign currency risk.

The board of directors has overall responsibility for identifying and managing operational and financial risks.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of financial instruments would fluctuate due to changes in foreign exchange rates. The Group is not exposed to any significant foreign currency risk.

Price risk

The Group's exposure to equity securities price relates to investments held and classified in the statement of financial position as listed and unlisted equities at fair value through profit or loss. The impact of 10% increase or decrease in security prices on the Group's loss before tax and net assets is set out below.

SQID Technologies Limited
Notes to the consolidated financial statements
31 March 2024

Note 7. Financial instruments (continued)

Consolidated - 31 Mar 2024	% change	Average price increase		% change	Average price decrease	
		Effect on profit before tax	Effect on equity		Effect on profit before tax	Effect on equity
Unlisted securities	10%	<u>7,557</u>	<u>7,557</u>	10%	<u>(7,557)</u>	<u>(7,557)</u>

Consolidated - 31 Dec 2023	% change	Average price increase		% change	Average price decrease	
		Effect on profit before tax	Effect on equity		Effect on profit before tax	Effect on equity
Unlisted securities	10%	<u>7,557</u>	<u>7,557</u>	10%	<u>(7,557)</u>	<u>(7,557)</u>

Interest rate risk

The Group does not have a significant exposure to interest rate risk.

Credit risk

The Group does not have a significant exposure to credit risk.

Liquidity risk

Liquidity risk management requires the Group to maintain sufficient liquid assets (mainly cash and cash equivalents) to be able to pay debts as and when they become due and payable.

The Group manages liquidity risk by endeavouring to maintaining adequate cash reserves through continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Financing arrangements

As at 31 March 2024 there were no unused borrowing facilities available.

Remaining contractual maturities

The following tables detail the Group's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The remaining contractual liabilities shown in the tables below match the respective carrying amount in the statement of financial position.

Consolidated - 31 Mar 2024	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
	%	\$	\$	\$	\$	\$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and other payables	-	<u>58,727</u>	-	-	-	<u>58,727</u>
Total non-derivatives		<u>58,727</u>	-	-	-	<u>58,727</u>

Consolidated - 31 Dec 2023	Weighted average interest rate	1 year or less	Between 1 and 2 years	Between 2 and 5 years	Over 5 years	Remaining contractual maturities
	%	\$	\$	\$	\$	\$
Non-derivatives						
<i>Non-interest bearing</i>						
Trade and other payables	-	<u>58,406</u>	-	-	-	<u>58,406</u>
Total non-derivatives		<u>58,406</u>	-	-	-	<u>58,406</u>

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

SQID Technologies Limited
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Note 7. Financial instruments (continued)

Fair value of financial instruments

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

Note 8. Fair value measurement

Fair value hierarchy

The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the 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

Level 3: Unobservable inputs for the asset or liability

Consolidated - 31 Mar 2024	Level 1 \$	Level 2 \$	Level 3 \$	Total \$
<i>Financial assets at fair value through profit or loss</i>				
Unlisted securities *	-	75,568	-	75,568
Total assets	-	75,568	-	75,568

There were no transfers between levels during the financial period.

The carrying amounts of trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

Valuation techniques for fair value measurements categorised within level 2

The fair value of unquoted investments is based on recent capital raisings proposed and / or completed by the investee company.

Accounting policy for 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.

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 will be 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.

The Group has determined that recent capital raises provide the best indicator of the fair value of investment securities (financial assets) held. Accordingly, no external valuations were sought during the reporting period.

The Group policy is to reassess the fair value hierarchy level for each investment at the end of each reporting period. Where applicable investments will be transferred between fair value hierarchy levels at the most recent fair value determination prior to the transfer. There were no transfers between fair value hierarchy levels during the reporting period.

SQID Technologies Limited
Notes to the consolidated financial statements
31 March 2024

Note 9. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiary in accordance with the accounting policy described in note 2:

Name	Principal place of business / Country of incorporation	Ownership interest	
		31 Mar 2024 %	31 Dec 2023 %
SQID Payments Pty Ltd (<i>deregistered 3 January 2024</i>)	Australia	-	100%

Note 10. Earnings per share

	Consolidated	
	31 Dec 2024 \$	31 Mar 2023 \$
<i>Earnings per share for loss from continuing operations</i>		
Loss after income tax attributable to the owners of SQID Technologies Limited	<u>(17,503)</u>	<u>(95,580)</u>
	Cents	Cents
Basic earnings per share	(0.12)	(0.66)
Diluted earnings per share	(0.12)	(0.66)
	Consolidated	
	31 Dec 2024 \$	31 Mar 2023 \$
<i>Earnings per share for loss from discontinued operations</i>		
Loss after income tax attributable to the owners of SQID Technologies Limited	<u>-</u>	<u>(138,314)</u>
	Cents	Cents
Basic earnings per share	-	(0.96)
Diluted earnings per share	-	(0.96)
	Consolidated	
	31 Dec 2024 \$	31 Mar 2023 \$
<i>Earnings per share for loss</i>		
Loss after income tax attributable to the owners of SQID Technologies Limited	<u>(17,503)</u>	<u>(233,894)</u>
	Cents	Cents
Basic earnings per share	(0.12)	(1.62)
Diluted earnings per share	(0.12)	(1.62)
	Number	Number
<i>Weighted average number of ordinary shares</i>		
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>14,416,827</u>	<u>14,416,827</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>14,416,827</u>	<u>14,416,827</u>

SQID Technologies Limited
Notes to the consolidated financial statements
31 March 2024

Note 11. Cash flow information

Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	31 Dec 2024	31 Mar 2023
	\$	\$
Loss after income tax expense for the period	(17,503)	(233,894)
Change in operating assets and liabilities:		
Decrease/(increase) in receivables	1,785	(7,771)
Decrease in prepayments	-	4,251
Increase/(decrease) in trade and other payables	321	(18,292)
Decrease in other operating liabilities	-	(9,507)
	<u> </u>	<u> </u>
Net cash used in operating activities	<u>(15,397)</u>	<u>(265,213)</u>

Non-cash investing and financing activities

There were no non-cash financing and investing activities during the reporting period.

Note 12. Events after the reporting period

No matter or circumstance has arisen since 31 March 2024 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.