

Appendix 4B

Half yearly/preliminary final report

Introduced 30/6/2002.

Name of entity

TECHNOLOGY INCUBATION GROUP LIMITED

ABN or equivalent company reference	Half yearly <i>(tick)</i>	Preliminary final <i>(tick)</i>	Half year/financial year ended ('current period')
70 091 805 480	X		31 December 2002

For announcement to the market

Extracts from this report for announcement to the market (see note 1).

\$A

Revenues from ordinary activities <i>(item 1.1)</i>	Down	75.4% to	294,433
Profit (loss) from ordinary activities after tax attributable to members <i>(item 1.22)</i>	Up	88% to	(70,419)
Profit (loss) from extraordinary items after tax attributable to members <i>(item 2.5(d))</i>	gain (loss) of		
Net profit (loss) for the period attributable to members <i>(item 1.11)</i>	Up	88% to	(70,419)
Dividends (distributions)	Amount per security	Franked amount per security	
Final dividend <i>(Preliminary final report only - item 15.4)</i> Interim dividend <i>(Half yearly report only - item 15.6)</i>	N/a	N/a	
Previous corresponding period <i>(Preliminary final report - item 15.5; half yearly report - item 15.7)</i>	- ¢	- ¢	
⁺ Record date for determining entitlements to the dividend, (in the case of a trust, distribution) <i>(see item 15.2)</i>	N/a		
Brief explanation of any of the figures reported above (see Note 1) and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:			

If this is a half yearly report it is to be read in conjunction with the most recent annual financial report.

+ See chapter 19 for defined terms.

Condensed consolidated statement of financial performance

		Current period - \$A	Previous corresponding period - \$A
1.1	Revenues from ordinary activities (<i>see items 1.23 -1.25</i>)	294,433	1,198,000
1.2	Expenses from ordinary activities (<i>see items 1.26 & 1.27</i>)	(364,852)	(1,740,000)
1.3	Borrowing costs	-	-
1.4	Share of net profits (losses) of associates and joint venture entities (<i>see item 16.7</i>)	-	-
1.5	Profit (loss) from ordinary activities before tax	(70,419)	(542,000)
1.6	Income tax on ordinary activities (<i>see note 4</i>)		35,000
1.7	Profit (loss) from ordinary activities after tax	(70,419)	(577,000)
1.8	Profit (loss) from extraordinary items after tax (<i>see item 2.5</i>)	-	-
1.9	Net profit (loss)	(70,419)	(577,000)
1.10	Net profit (loss) attributable to outside ⁺ equity interests	-	-
1.11	Net profit (loss) for the period attributable to members	(70,419)	(577,000)
Non-owner transaction changes in equity			
1.12	Increase (decrease) in revaluation reserves	-	-
1.13	Net exchange differences recognised in equity	-	-
1.14	Other revenue, expense and initial adjustments recognised directly in equity (attach details)	-	-
1.15	Initial adjustments from UIG transitional provisions	-	-
1.16	Total transactions and adjustments recognised directly in equity (items 1.12 to 1.15)	-	-
1.17	Total changes in equity not resulting from transactions with owners as owners	(70,419)	(577,000)

Earnings per security (EPS)		Current period	Previous corresponding Period
1.18	Basic EPS	(0.26 cents)	(1.71 cents)
1.19	Diluted EPS	(0.26 cents)	(1.47 cents)

+ See chapter 19 for defined terms.

Notes to the condensed consolidated statement of financial performance

Profit (loss) from ordinary activities attributable to members

	Current period - \$A	Previous corresponding period - \$A
1.20 Profit (loss) from ordinary activities after tax (<i>item 1.7</i>)	(70,419)	(577,000)
1.21 Less (plus) outside ⁺ equity interests	-	-
1.22 Profit (loss) from ordinary activities after tax, attributable to members	(70,419)	(577,000)

Revenue and expenses from ordinary activities

(*see note 15*)

	Current period - \$A	Previous corresponding period - \$A
1.23 Revenue from sales or services	-	1,114,000
1.24 Interest revenue	-	29,000
1.25 Other relevant revenue	294,433	55,000
1.26 Details of relevant expenses		
Payroll Related	4,770	1,064,000
Consultancy Fees	139,853	-
Diminution in value of investment	123,226	-
Property	-	130,000
Legal	27,329	-
Marketing	-	165,000
Other	69,464	182,000
Total expenses	364,642	1,541,000
1.27 Depreciation and amortisation excluding amortisation of intangibles (<i>see item 2.3</i>)	210	199,000
Capitalised outlays		
1.28 Interest costs capitalised in asset values		
1.29 Outlays capitalised in intangibles (unless arising from an ⁺ acquisition of a business)		

+ See chapter 19 for defined terms.

Consolidated retained profits

	Current period - \$A	Previous corresponding period - \$A
1.30 Retained profits (accumulated losses) at the beginning of the financial period	(3,059,665)	144,000
1.31 Net profit (loss) attributable to members (<i>item 1.11</i>)	(70,419)	(577,000)
1.32 Net transfers from (to) reserves (<i>details if material</i>)	-	(8,000)
1.33 Net effect of changes in accounting policies	-	-
1.34 Dividends and other equity distributions paid or payable	-	-
1.35 Retained profits (accumulated losses) at end of financial period	(3,130,084)	(441,000)

Intangible and extraordinary items

		<i>Consolidated - current period</i>			
		Before tax \$A	Related tax \$A	Related outside +equity interests \$A	Amount (after tax) attributable to members \$A
2.1	Amortisation of goodwill				
2.2	Amortisation of other intangibles				
2.3	Total amortisation of intangibles				
2.4	Extraordinary items (details)				
2.5	Total extraordinary items				

+ See chapter 19 for defined terms.

Comparison of half year profits
(Preliminary final report only)

	Current year - \$A	Previous year - \$A
3.1 Consolidated profit (loss) from ordinary activities after tax attributable to members reported for the <i>1st</i> half year (item 1.22 in the half yearly report)	N/a	N/a
3.2 Consolidated profit (loss) from ordinary activities after tax attributable to members for the <i>2nd</i> half year	N/a	N/a

Condensed consolidated statement of financial position

	At end of current period \$A	As shown in last annual report \$A	As in last half yearly report \$A
Current assets			
4.1 Cash	740,642	1,085,377	1,452,000
4.2 Receivables	9,032	953,360	1,029,000
4.3 Investments	-	-	-
4.4 Inventories	-	63,996	13,000
4.5 Tax assets	-	-	-
4.6 Other (provide details if material)		411,558	319,000
4.7 Total current assets	749,674	2,514,291	2,813,000
Non-current assets			
4.8 Receivables	-	-	-
4.9 Investments (equity accounted)	186,912	-	-
4.10 Other investments	244,800	360,000	-
4.11 Inventories	-	-	-
4.12 Exploration and evaluation expenditure capitalised (<i>see para .71 of AASB 1022</i>)	-	-	-
4.13 Development properties (+mining entities)	-	-	-
4.14 Other property, plant and equipment (net)	4,340	-	597,000
4.15 Intangibles (net)	-	-	3,002,000
4.16 Tax assets	-	-	-
4.17 Other (provide details if material)	-	-	1,000
4.18 Total non-current assets	436,052	360,000	3,600,000
4.19 Total assets	1,185,726	2,874,291	6,413,000
Current liabilities			
4.20 Payables	132,166	1,440,958	1,281,000
4.21 Interest bearing liabilities	-	53,306	160,000
4.22 Tax liabilities	-	-	-
4.23 Provisions exc. tax liabilities	-	196,101	559,000
4.24 Other (deferred revenue)	-	171,859	393,000
4.25 Total current liabilities	132,166	1,862,224	2,393,000

+ See chapter 19 for defined terms.

	Non-current liabilities			
4.26	Payables	-	-	-
4.27	Interest bearing liabilities	-	-	-
4.28	Tax liabilities	-	-	-
4.29	Provisions exc. tax liabilities	-	-	-
4.30	Other (provide details if material)	-	-	-
4.31	Total non-current liabilities	-	-	-

Condensed consolidated statement of financial position continued

4.32	Total liabilities	132,166	1,862,224	2,393,000
4.33	Net assets	1,053,560	1,012,067	4,020,000

	Equity			
4.34	Capital/contributed equity	4,183,644	4,071,732	4,461,000
4.35	Reserves			(2,931,000)
4.36	Retained profits (accumulated losses)	(3,130,084)	(3,059,665)	2,490,000
4.37	Equity attributable to members of the parent entity	1,053,560	1,012,067	4,020,000
4.38	Outside ⁺ equity interests in controlled entities			
4.39	Total equity	1,053,560	1,012,067	4,020,000
4.40	Preference capital included as part of 4.37	-	-	-

Notes to the condensed consolidated statement of financial position

Exploration and evaluation expenditure capitalised

(To be completed only by entities with mining interests if amounts are material. Include all expenditure incurred.)

	Current period \$A	Previous corresponding period - \$A
5.1	Opening balance	N/a
5.2	Expenditure incurred during current period	N/a
5.3	Expenditure written off during current period	N/a
5.4	Acquisitions, disposals, revaluation increments, etc.	N/a
5.5	Expenditure transferred to Development Properties	N/a
5.6	Closing balance as shown in the consolidated balance sheet (item 4.12)	N/a

+ See chapter 19 for defined terms.

Development properties

(To be completed only by entities with mining interests if amounts are material)

	Current period \$A	Previous corresponding period - \$A
6.1 Opening balance	N/a	N/a
6.2 Expenditure incurred during current period	N/a	N/a
6.3 Expenditure transferred from exploration and evaluation	N/a	N/a
6.4 Expenditure written off during current period	N/a	N/a
6.5 Acquisitions, disposals, revaluation increments, etc.	N/a	N/a
6.6 Expenditure transferred to mine properties	N/a	N/a
6.7 Closing balance as shown in the consolidated balance sheet (item 4.13)	N/a	N/a

+ See chapter 19 for defined terms.

Condensed consolidated statement of cash flows

		Current period \$A	Previous corresponding period - \$A
Cash flows related to operating activities			
7.1	Receipts from customers	-	1,371,000
7.2	Payments to suppliers and employees	(108,359)	(1,203,000)
7.3	Dividends received from associates	-	-
7.4	Other dividends received	-	-
7.5	Interest and other items of similar nature received	-	29,000
7.6	Interest and other costs of finance paid	-	-
7.7	Income taxes paid	-	-
7.8	Other (provide details if material)	-	-
7.9	Net operating cash flows	(108,359)	197,000
Cash flows related to investing activities			
7.10	Payment for purchases of property, plant and equipment	(4,550)	(623,000)
7.11	Proceeds from sale of property, plant and equipment	-	(45,000)
7.12	Payment for purchases of equity investments	(75,000)	-
7.13	Net cash settlement for disposal of subsidiaries (net of cash disposed)	(156,826)	-
7.14	Loans to other entities	-	-
7.15	Expenses paid by other entities	-	-
7.16	Other	-	-
7.17	Net investing cash flows	(236,376)	(668,000)
Cash flows related to financing activities			
7.18	Proceeds from issues of ⁺ securities (shares, options, etc.)	-	-
7.19	Proceeds from borrowings	-	-
7.20	Repayment of borrowings	-	(16,000)
7.21	Dividends paid	-	-
7.22	Other (provide details if material)	-	-
7.23	Net financing cash flows	-	(16,000)
7.24	Net increase (decrease) in cash held	(344,735)	(487,000)
7.25	Cash at beginning of period (see Reconciliation of cash)	1,085,377	1,939,000
7.26	Exchange rate adjustments to item 7.25.	-	-
7.27	Cash at end of period (see Reconciliation of cash)	740,642	1,452,000

+ See chapter 19 for defined terms.

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. *(If an amount is quantified, show comparative amount.)*

Issue of 2,486,939 fully paid ordinary shares at a fair value of 4.5 cents each as part consideration for acquisition of a 25% interest in Tiger International Hatchery Pty Ltd

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current period \$A	Previous corresponding period - \$A
8.1 Cash on hand and at bank	740,642	792,000
8.2 Deposits at call	-	626,000
8.3 Bank overdraft	-	-
8.4 Other (provide details)	-	34,000
8.5 Total cash at end of period (item 7.27)	740,642	1,452,000

Other notes to the condensed financial statements

Ratios	Current period	Previous corresponding Period
9.1 Profit before tax / revenue Consolidated profit (loss) from ordinary activities before tax (item 1.5) as a percentage of revenue (item 1.1)	N/a %	(43%)
9.2 Profit after tax / ⁺equity interests Consolidated net profit (loss) from ordinary activities after tax attributable to members (item 1.11) as a percentage of equity (similarly attributable) at the end of the period (item 4.37)	(6.7%)	(12.8%)

+ See chapter 19 for defined terms.

Earnings per security (EPS)

10. Details of basic and diluted EPS reported separately in accordance with paragraph 9 and 18 of *AASB 1027: Earnings Per Share* are as follows.

N/a.

NTA backing *(see note 7)*

- 11.1 Net tangible asset backing per ⁺ordinary security

Current period	Previous corresponding Period
3.85 cents	3.35 cents

Discontinuing Operations

(Entities must report a description of any significant activities or events relating to discontinuing operations in accordance with paragraph 7.5 (g) of AASB 1029: Interim Financial Reporting, or, the details of discontinuing operations they have disclosed in their accounts in accordance with AASB 1042: Discontinuing Operations (see note 17).)

12.1 Discontinuing Operations

12.1(a) Disposal of wholly owned subsidiary Whittle Consulting Pty Ltd

As foreshadowed in the 2002 annual report, effective 1 July 2002, the group disposed of its wholly owned subsidiary Whittle Consulting Pty Ltd. Cash consideration received totalled \$30,000. As at 30 June 2002, the value of the investment in Whittle Consulting Pty Ltd had been written down to \$30,000. Accordingly, a nil profit or loss was made on disposal.

The decision to dispose of Whittle Consulting Pty Ltd was made due to the inability of Whittle Consulting Pty Ltd to secure significant long term contracts and the effect its negative cash flows were having on the group's overall cash position.

Whittle Consulting Pty Ltd prior to its disposal was in the business of providing advice to mining companies on Strategic Planning issues using resource blending and scheduling optimisation technology.

12.1(b) Disposal of wholly owned subsidiary Icon Medialab Holdings Pty Ltd

As foreshadowed in the 2002 annual report, effective 1 July 2002, the group disposed of its wholly owned subsidiary Icon MediaLab Holdings Pty Ltd. As part of the disposal agreement, the purchasers of Icon MediaLab Holdings Pty Ltd acquired certain assets and liabilities of Technology Incubation Group Ltd. Effectively, the net amount received was \$294,241. As at 30 June 2002, the value of the investment in Icon Medialab Holdings Pty Ltd had been written down to \$Nil. Accordingly, a profit of \$294,241 was made on disposal.

The decision to dispose of Icon MediaLab Holdings Pty Ltd was made due to the inability of Icon MediaLab Holdings Pty Ltd to secure significant long term contracts and the effect its negative cash flows were having on the group's overall cash position.

Icon MediaLab Holdings Pty Ltd prior to its disposal was in the business of developing high-end websites.

+ See chapter 19 for defined terms.

Control gained over entities having material effect

13.1 Name of entity (or group of entities)	
13.2 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) since the date in the current period on which control was ⁺ acquired	\$
13.3 Date from which such profit has been calculated	
13.4 Profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the whole of the previous corresponding period	\$

Loss of control of entities having material effect

14.1 Name of entity (or group of entities)	Icon MediaLab Australia Holdings Pty Ltd and its controlled entities ("Icon MediaLab Group")
14.2 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) for the current period to the date of loss of control	\$Nil
14.3 Date to which the profit (loss) in item 14.2 has been calculated	1 July 2002
14.4 Consolidated profit (loss) from ordinary activities and extraordinary items after tax of the controlled entity (or group of entities) while controlled during the whole of the previous corresponding period	-
14.5 Contribution to consolidated profit (loss) from ordinary activities and extraordinary items from sale of interest leading to loss of control	\$294,433

Dividends (in the case of a trust, distributions)

15.1 Date the dividend (distribution) is payable	
15.2 ⁺ Record date to determine entitlements to the dividend (distribution) (ie, on the basis of proper instruments of transfer received by 5.00 pm if ⁺ securities are not ⁺ CHESS approved, or security holding balances established by 5.00 pm or such later time permitted by SCH Business Rules if ⁺ securities are ⁺ CHESS approved)	
15.3 If it is a final dividend, has it been declared? <i>(Preliminary final report only)</i>	

⁺ See chapter 19 for defined terms.

Amount per security

		Amount per security	Franked amount per security at % tax (see note 4)	Amount per security of foreign source dividend
15.4	<i>(Preliminary final report only)</i> Final dividend: Current year	¢	¢	¢
15.5	Previous year	¢	¢	¢
15.6	<i>(Half yearly and preliminary final reports)</i> Interim dividend: Current year	¢	¢	¢
15.7	Previous year	¢	¢	¢

Total dividend (distribution) per security (interim plus final)

(Preliminary final report only)

	Current year	Previous year
15.8 +Ordinary securities	N/a	N/a
15.9 Preference +securities	N/a	N/a

**Half yearly report - interim dividend (distribution) on all securities or
Preliminary final report - final dividend (distribution) on all securities**

	Current period \$A	Previous corresponding period - \$A
15.10 +Ordinary securities <i>(each class separately)</i>	Nil	Nil
15.11 Preference +securities <i>(each class separately)</i>	N/a	N/a
15.12 Other equity instruments <i>(each class separately)</i>	N/a	N/a
15.13 Total	Nil	Nil

+ See chapter 19 for defined terms.

The ⁺dividend or distribution plans shown below are in operation.

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The last date(s) for receipt of election notices for the ⁺dividend or distribution plans

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Any other disclosures in relation to dividends (distributions). *(For half yearly reports, provide details in accordance with paragraph 7.5(d) of AASB 1029 Interim Financial Reporting)*

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Details of aggregate share of profits (losses) of associates and joint venture entities

	Current period \$A	Previous corresponding period - \$A
Group's share of associates' and joint venture entities':		
16.1 Profit (loss) from ordinary activities before tax	-	-
16.2 Income tax on ordinary activities	-	-
16.3 Profit (loss) from ordinary activities after tax	-	-
16.4 Extraordinary items net of tax	-	-
16.5 Net profit (loss)	-	-
16.6 Adjustments	-	-
16.7 Share of net profit (loss) of associates and joint venture entities	-	-

⁺ See chapter 19 for defined terms.

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities. *(If the interest was acquired or disposed of during either the current or previous corresponding period, indicate date of acquisition ("from dd/mm/yy") or disposal ("to dd/mm/yy").)*

<i>Name of entity</i>	Percentage of ownership interest held at end of period or date of disposal		Contribution to net profit (loss) (<i>item 1.9</i>)	
	Current period	Previous corresponding period	Current period \$A'000	Previous corresponding period - \$A'000
17.1 Equity accounted associates and joint venture entities				
Tiger International Hatchery Pty Ltd	25%	-	Nil	-
17.2 Total	-	-	-	-
17.3 Other material interests				
Gemcom Software International Inc.	6.4%	-	Nil	-
17.4 Total	-	-	-	-

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current period

(Description must include rate of interest and any redemption or conversion rights together with prices and dates)

Category of ⁺ securities	Total number	Number quoted	Issue price per security (see note 14) (cents)	Amount paid up per security (see note 14) (cents)
18.1 Preference ⁺securities <i>(description)</i>				
18.2 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks, redemptions				
18.3 ⁺Ordinary securities	27,383,330	27,383,330	N/a	N/a
18.4 Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks	2,486,939	2,486,939	4.5 cents	4.5 cents
18.5 ⁺Convertible debt securities <i>(description and conversion factor)</i>	4,114,000		N/a	N/a
18.6 Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted	374,000		Nil	Nil
18.7 Options <i>(description and conversion factor)</i>	8,533,334	Nil	<i>Exercise price</i>	<i>Expiry date (if any)</i>
			\$0.25 to 30/6/03; then \$0.30	30/6/06
18.8 Issued during current period				
18.9 Exercised during current period				
18.10 Expired during current period	4,672,093	4,672,093	\$0.25 to 30/9/01; then \$0.40	30/9/02

+ See chapter 19 for defined terms.

18.11	Debentures <i>(description)</i>		
18.12	Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted		
18.13	Unsecured notes <i>(description)</i>		
18.14	Changes during current period (a) Increases through issues (b) Decreases through securities matured, converted		

Segment reporting

2001	Product	Consulting	Other	Total
Revenue	866,000	249,000	83,000	1,198,000
Result	12,000	312,000	(270,000)	(577,000)
Assets	2,106,000	468,000	4,018,000	6,591,000

2002

The group operates in one geographical and business segment being the acquisition and development of investment opportunities in Australia.

Comments by directors

(Comments on the following matters are required by ASX or, in relation to the half yearly report, by *AASB 1029: Interim Financial Reporting*. The comments do not take the place of the directors' report and statement (as required by the Corporations Act) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final reports, if there are no comments in a section, state NIL. If there is insufficient space to comment, attach notes to this report.)

Basis of financial report preparation

19.1 This half-year consolidated financial report is a general purpose financial report which has been prepared in accordance with Accounting Standard AASB 1029 "Interim Financial Reporting", the recognition and measurement requirements of applicable AASB standards, Urgent Issues Group Consensus Views, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001. This half-year financial report should be read in conjunction with the 30 June 2002 Annual Financial Report and any public announcements by Technology Incubation Group Limited and its Controlled Entities during the half-year in accordance with continuous disclosure obligations arising under the Corporations Act 2001.

It has been prepared on the basis of historical costs and except where stated, does not take into account changing money values or fair values of non-current assets.

These accounting policies have been consistently applied by each entity in the consolidated entity and are consistent with those applied in the 30 June 2002 Annual Report.

The half-year report does not include full note disclosures of the type normally included in an annual financial report.

19.2 Material factors affecting the revenues and expenses of the economic entity for the current period. In a half yearly report, provide explanatory comments about any seasonal or irregular factors affecting operations.

+ See chapter 19 for defined terms.

Two items have had a material impact on the group's half-year results:

- a profit of \$294,433 was recorded on disposal of its wholly owned subsidiaries Icon MediaLab Holdings Pty Ltd and Whittle Consulting Pty Ltd; and
- a further provision for diminution in value of investments totalling \$123,226 was recorded.

- 19.3 A description of each event since the end of the current period which has had a material effect and which is not already reported elsewhere in this Appendix or in attachments, with financial effect quantified (if possible).

Subsequent to 31 December 2002, 90,000 ordinary shares have been issued pursuant to an employee remuneration contract.

- 19.4 Franking credits available and prospects for paying fully or partly franked dividends for at least the next year.

Nil franking credits available.

- 19.5 Unless disclosed below, the accounting policies, estimation methods and measurement bases used in this report are the same as those used in the last annual report. Any changes in accounting policies, estimation methods and measurement bases since the last annual report are disclosed as follows. (Disclose changes and differences in the half yearly report in accordance with *AASB 1029: Interim Financial Reporting*. Disclose changes in accounting policies in the preliminary final report in accordance with *AASB 1001: Accounting Policies-Disclosure*).

N/a

- 19.6 Revisions in estimates of amounts reported in previous interim periods. For half yearly reports the nature and amount of revisions in estimates of amounts reported in previous +annual reports if those revisions have a material effect in this half year.

N/a

- 19.7 Changes in contingent liabilities or assets. For half yearly reports, changes in contingent liabilities and contingent assets since the last + annual report.

N/a

+ See chapter 19 for defined terms.

Additional disclosure for trusts

20.1 Number of units held by the management company or responsible entity or their related parties.

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20.2 A statement of the fees and commissions payable to the management company or responsible entity.

Identify:

- initial service charges
- management fees
- other fees

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Annual meeting

(Preliminary final report only)

The annual meeting will be held as follows:

Place

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Date

--

Time

--

Approximate date the ⁺annual report will be available

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Compliance statement

1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX (see note 12).

Identify other standards used

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2 This report, and the ⁺accounts upon which the report is based (if separate), use the same accounting policies.

3 This report does/~~does not~~* (*delete one*) give a true and fair view of the matters disclosed (see note 2).

⁺ See chapter 19 for defined terms.

- 4 This report is based on ⁺accounts to which one of the following applies.
(Tick one)
- | | | | |
|--------------------------|---|--------------------------|---|
| <input type="checkbox"/> | The ⁺ accounts have been audited. | ✓ | The ⁺ accounts have been subject to review. |
| <input type="checkbox"/> | The ⁺ accounts are in the process of being audited or subject to review. | <input type="checkbox"/> | The ⁺ accounts have <i>not</i> yet been audited or reviewed. |

5 If the audit report or review by the auditor is not attached, details of any qualifications are attached/will follow immediately they are available* (*delete one*). (*Half yearly report only - the audit report or review by the auditor must be attached to this report if this report is to satisfy the requirements of the Corporations Act.*)

6 The entity ~~has~~/does not have* (*delete one*) a formally constituted audit committee.



Sign here:
(Director)

Date: 11 March 2003

Print name: KARL SIMICH

Notes

- For announcement to the market** The percentage changes referred to in this section are the percentage changes calculated by comparing the current period's figures with those for the previous corresponding period. Do not show percentage changes if the change is from profit to loss or loss to profit, but still show whether the change was up or down. If changes in accounting policies or procedures have had a material effect on reported figures, do not show either directional or percentage changes in profits. Explain the reason for the omissions in the note at the end of the announcement section. Entities are encouraged to attach notes or fuller explanations of any significant changes to any of the items in page 1. The area at the end of the announcement section can be used to provide a cross reference to any such attachment.
- True and fair view** If this report does not give a true and fair view of a matter (for example, because compliance with an Accounting Standard is required) the entity must attach a note providing additional information and explanations to give a true and fair view.
- Condensed consolidated statement of financial performance**
 - Item 1.1 The definition of "revenue" and an explanation of "ordinary activities" are set out in *AASB 1004: Revenue*, and *AASB 1018: Statement of Financial Performance*.

⁺ See chapter 19 for defined terms.

- Item 1.6 This item refers to the total tax attributable to the amount shown in item 1.5. Tax includes income tax and capital gains tax (if any) but excludes taxes treated as expenses from ordinary activities (eg, fringe benefits tax).
4. **Income tax** If the amount provided for income tax in this report differs (or would differ but for compensatory items) by more than 15% from the amount of income tax *prima facie* payable on the profit before tax, the entity must explain in a note the major items responsible for the difference and their amounts. The rate of tax applicable to the franking amount per dividend should be inserted in the heading for the column “Franked amount per security at % tax” for items 15.4 to 15.7.
5. **Condensed consolidated statement of financial position**
- Format** The format of the consolidated statement of financial position should be followed as closely as possible. However, additional items may be added if greater clarity of exposition will be achieved, provided the disclosure still meets the requirements of *AASB 1029: Interim Financial Reporting*, and *AASB 1040: Statement of Financial Position*. Also, banking institutions, trusts and financial institutions may substitute a clear liquidity ranking for the Current/Non-Current classification.
- Basis of revaluation** If there has been a material revaluation of non-current assets (including investments) since the last ⁺annual report, the entity must describe the basis of revaluation adopted. The description must meet the requirements of *AASB 1010: Accounting for the Revaluation of Non-Current Assets*. If the entity has adopted a procedure of regular revaluation, the basis for which has been disclosed and has not changed, no additional disclosure is required.
6. **Condensed consolidated statement of cash flows** For definitions of “cash” and other terms used in this report see *AASB 1026: Statement of Cash Flows*. Entities should follow the form as closely as possible, but variations are permitted if the directors (in the case of a trust, the management company) believe that this presentation is inappropriate. However, the presentation adopted must meet the requirements of *AASB 1026*. ⁺Mining exploration entities may use the form of cash flow statement in Appendix 5B.
7. **Net tangible asset backing** Net tangible assets are determined by deducting from total tangible assets all claims on those assets ranking ahead of the ⁺ordinary securities (ie, all liabilities, preference shares, outside ⁺equity interests etc). ⁺Mining entities are *not* required to state a net tangible asset backing per ⁺ordinary security.
8. **Gain and loss of control over entities** The gain or loss must be disclosed if it has a material effect on the ⁺accounts. Details must include the contribution for each gain or loss that increased or decreased the entity’s consolidated profit (loss) from ordinary activities and extraordinary items after tax by more than 5% compared to the previous corresponding period.
9. **Rounding of figures** This report anticipates that the information required is given to the nearest \$1,000. If an entity reports exact figures, the \$A’000 headings must be amended. If an entity qualifies under ASIC Class Order 98/0100 dated 10 July 1998, it may report to the nearest million dollars, or to the nearest \$100,000, and the \$A’000 headings must be amended.
10. **Comparative figures** Comparative figures are to be presented in accordance with *AASB 1018* or *AASB 1029 Interim Financial Reporting* as appropriate and are the unadjusted figures from

⁺ See chapter 19 for defined terms.

the latest annual or half year report as appropriate. However, if an adjustment has been made in accordance with an accounting standard or other reason or if there is a lack of comparability, a note explaining the position should be attached. For the statement of financial performance, *AASB 1029 Interim Financial Reporting* requires information on a year to date basis in addition to the current interim period. Normally an Appendix 4B to which *AASB 1029 Interim Financial Reporting* applies would be for the half year and consequently the information in the current period is also the year to date. If an Appendix 4B Half yearly version is produced for an additional interim period (eg because of a change of reporting period), the entity must provide the year to date information and comparatives required by *AASB 1029 Interim Financial Reporting*. This should be in the form of a multi-column version of the consolidated statement of financial performance as an attachment to the additional Appendix 4B.

11. **Additional information** An entity may disclose additional information about any matter, and must do so if the information is material to an understanding of the reports. The information may be an expansion of the material contained in this report, or contained in a note attached to the report. The requirement under the listing rules for an entity to complete this report does not prevent the entity issuing reports more frequently. Additional material lodged with the ⁺ASIC under the Corporations Act must also be given to ASX. For example, a director's report and declaration, if lodged with the ⁺ASIC, must be given to ASX.
12. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if one exists) must be complied with.
13. **Corporations Act financial statements** This report may be able to be used by an entity required to comply with the Corporations Act as part of its half-year financial statements if prepared in accordance with Australian Accounting Standards.
14. **Issued and quoted securities** The issue price and amount paid up is not required in items 18.1 and 18.3 for fully paid securities.
15. **Details of expenses** *AASB 1018* requires disclosure of expenses from ordinary activities according to either their nature or function. For foreign entities, there are similar requirements in other accounting standards accepted by ASX. *AASB ED 105* clarifies that the disclosures required by *AASB 1018* must be either *all* according to nature or *all* according to function. Entities must disclose details of expenses using the layout (by nature or function) employed in their ⁺accounts.

The information in lines 1.23 to 1.27 may be provided in an attachment to Appendix 4B.

Relevant Items *AASB 1018* requires the separate disclosure of specific revenues and expenses which are not extraordinary but which are of a size, nature or incidence that disclosure is *relevant* in explaining the financial performance of the reporting entity. The term "relevance" is defined in *AASB 1018*. There is an equivalent requirement in *AASB 1029: Interim Financial Reporting*. For foreign entities, there are similar requirements in other accounting standards accepted by ASX.

16. **Dollars** If reporting is not in A\$, all references to \$A must be changed to the reporting currency. If reporting is not in thousands of dollars, all references to "000" must be changed to the reporting value.

⁺ See chapter 19 for defined terms.

17. Discontinuing operations

Half yearly report

All entities must provide the information required in paragraph 12 for half years beginning on or after 1 July 2001.

Preliminary final report

Entities must either provide a description of any significant activities or events relating to discontinuing operations equivalent to that required by paragraph 7.5 (g) of *AASB 1029: Interim Financial Reporting*, or, the details of discontinuing operations they are required to disclose in their ⁺accounts in accordance with *AASB 1042 Discontinuing Operations*.

In any case the information may be provided as an attachment to this Appendix 4B.

18. Format

This form is a Word document but an entity can re-format the document into Excel or similar applications for submission to the Companies Announcements Office in ASX.

⁺ See chapter 19 for defined terms.

Independent review report to the members of Technology Incubation Group Limited

Scope

We have reviewed the financial report of Technology Incubation Group Limited (“the Company”) for the half-year ended 31 December 2002 in the form of Appendix 4B of the Australian Stock Exchange Listing Rules, consisting of the statement of financial performance, statement of financial position, statement of cash flows, accompanying notes and the directors’ declaration, but excluding the following sections:

- (a) *material factors affecting the revenues and the expenses of the consolidated entity for the current period (pages 16 and 17);*
- (b) *compliance statements (page 18 and 22);*
- (c) *ratios (page 9); and*
- (d) *NTA backing (page 10).*

The financial report includes the consolidated financial statements of the consolidated entity, comprising the Company and the entities it controlled at the end of the half-year or from time to time during the half-year. The Company’s directors are responsible for the financial report.

We have performed an independent review of the financial report in order to state whether, on the basis of procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 1029 “Interim Financial Reporting” and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the Company’s financial position and performance as represented by the results of its operations and its cash flows and in order for the Company to lodge the financial report with the Australian Securities and Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. The review is limited primarily to inquiries of company personnel and analytical procedures applied to the financial data. Our review has not involved a study and evaluation of internal accounting controls, tests of accounting records or tests of responses to inquiries by obtaining corroborative evidence from inspection, observation or confirmation. The procedures do not provide all the evidence that would be required in an audit, thus the level of assurance is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Statement

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Technology Incubation Group Limited is not in accordance with:

- a) the Corporations Act 2001, including:



- i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2002 and of its performance for the half-year ended on that date; and
 - ii. complying with Australian Accounting Standard AASB 1029 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- b) other mandatory professional reporting requirements in Australia.

KPMG
KPMG

A M Kitchen

A M KITCHEN
Partner

Perth

10 March 2003