

Appendix 4E

Preliminary final report Period ending on or after 30 June 2003

1. This report relates to the financial year ended 30 June 2003, with comparative data related to the year ended 30 June 2002.
2. *“Results for announcement to the market”.*

Name of entity	ABN or equivalent company reference
Technology Incubation Group Ltd	TIL

				\$A
Revenues from ordinary activities	down	94%	to	328,120
Loss from ordinary activities after tax attributable to members	down	91%	to	(277,430)
Net profit (loss) for the period attributable to members	up/down	91%	to	(277,430)
Dividends (distributions)		Amount per security	Franked amount per security	
Final dividend		Nil ¢		Nil ¢

3. to 5. Financial statements – refer following.

Statement of Financial Performance for the year ended 30 June 2003

	Note	Consolidated		Company	
		2003 \$	2002 \$	2003 \$	2002 \$
Revenues from rendering of services		-	3,466,069	-	354,000
Other revenue from ordinary activities		328,120	2,286,431	86,356	2,243,538
Total revenue	2	328,120	5,752,500	86,356	2,597,538
Employee expenses		4,770	3,150,061	4,770	262,351
Depreciation and amortisation expenses		1,021	357,935	1,021	25,604
Borrowing expenses		-	15,649	-	-
Corporate and professional fees		393,117	562,274	393,117	494,147
Facilities		-	411,962	-	135,836
Travel & entertainment costs		14,075	107,302	14,075	45,645
Goodwill write off		-	656,070	-	-
Carrying value of subsidiary sold		-	2,612,123	-	1,837,082
Write-down in non-current assets	2	188,470	80,000	188,470	2,216,090
Fixed asset write-down		-	117,101	-	-
Selling expenses		-	169,347	-	-
Other expenses from ordinary activities		4,097	717,321	4,097	155,907
		605,550	8,957,145	605,550	5,172,662
Profit (loss) from ordinary activities before tax		(277,430)	(3,204,645)	(519,194)	(2,575,124)
Income tax (expense)/benefit relating to ordinary activities	3	-	-	-	-
Profit (loss) from ordinary activities after tax		(277,430)	(3,204,645)	(519,194)	(2,575,124)
Net profit (loss) attributable to members of the parent entity		(277,430)	(3,204,645)	(519,194)	(2,575,124)
Basic earnings per share		(1.00) cents	(11.64) cents	(1.88) cents	(9.35) cents
Diluted earnings per share		(1.00) cents	(11.64) cents	(1.88) cents	(9.35) cents

The accompanying notes form part of these financial statements

Statement of Financial Position as at 30 June 2003

		Consolidated		Company	
	Note	2003 \$	2002 \$	2003 \$	2002 \$
CURRENT ASSETS					
Cash	4	459,907	1,085,377	459,907	1,028,541
Receivables	5	-	953,360	-	3,937
Plant and equipment	6	-	352,183	-	-
Inventories		-	63,996	-	-
Other	7	5,874	59,375	5,874	285,576
		465,781	2,514,291	465,781	1,318,054
NON-CURRENT ASSETS					
Plant and equipment	6	4,487	-	4,487	-
Investments accounted for using the equity method	8	436,912	-	436,912	-
Other financial assets	9	178,000	360,000	178,000	390,000
		619,399	360,000	619,399	390,000
Total assets		1,085,180	2,874,291	1,085,180	1,708,054
CURRENT LIABILITIES					
Payables	10	233,861	1,440,958	233,861	78,525
Deferred Revenue		-	171,859	-	-
Interest-bearing liabilities		-	53,306	-	375,698
Provisions		-	196,101	-	-
		233,861	1,862,224	233,861	454,223
Net assets		851,319	1,012,067	851,319	1,253,831
EQUITY					
Contributed equity		4,188,414	4,071,732	4,188,414	4,071,732
Retained profits		(3,337,095)	(3,059,665)	(3,337,095)	(2,817,901)
Total equity and parent entity interest		851,319	1,012,067	851,319	1,253,831

The accompanying notes form part of these financial statements

Statement of Cash Flows for the year ended 30 June 2003

	Note	Consolidated		Company	
		2003 \$	2002 \$	2003 \$	2002 \$
CASH FLOWS RELATED TO OPERATING ACTIVITIES					
Receipts from customers		-	3,571,802	-	29,678
Payments to suppliers and employees		(369,211)	(4,900,645)	(369,211)	(951,888)
Interest received		-	64,075	-	56,639
Borrowing costs		-	(14,623)	-	-
Net cash provided by/(used in) operating activities		(369,211)	(1,279,391)	(369,211)	(865,571)
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds on disposal of controlled entities		-	1,389,598	-	1,574,600
Payments for plant and equipment		(5,508)	(101,448)	(5,508)	(3,135)
Payments for equity investments		(125,000)	-	(125,000)	-
Proceeds from sale of shares		1,075	-	1,075	-
Proceeds on disposal of controlled entity (net of cash disposed)		(126,826)	(128,463)	305,708	(550,000)
Other financial assets		-	(61,800)	-	(61,800)
Net cash provided by/(used in) operating activities		(256,259)	1,097,887	176,275	959,665
CASH FLOWS FROM FINANCING ACTIVITIES					
Share buy-back		-	(495,000)	-	(495,000)
Loans to related parties		-	-	-	(1,072,778)
Repayments from related parties		-	-	-	473,722
Hire purchase payments		-	(191,995)	-	-
Net cash provided by/(used in) financing activities		-	(686,995)	-	(1,094,056)
Net increase / (decrease) in cash held		(625,470)	(868,499)	(192,936)	(999,962)
Cash at the beginning of the financial year		1,085,377	1,953,876	652,843	1,652,805
Cash at the end of the financial year		459,907	1,085,377	459,907	652,843

The accompanying notes form part of these financial statements

Notes to the Financial Statements for the year ended 30 June 2003

	Consolidated		Company	
	2003 \$	2002 \$	2003 \$	2002 \$
NOTE 2. OPERATING PROFIT				
Profit from ordinary activities before income tax expense has been arrived at after charging/(crediting) the following items:				
Borrowing costs – overdraft facility	-	15,649	-	-
Depreciation of:				
- plant and equipment	-	7,421	-	2,127
- Office furniture and equipment	1,021	152,547	1,021	23,477
- Computer software	-	16,656	-	-
- Leasehold improvements	-	28,136	-	-
Amortisation of:				
- Goodwill	-	104,698	-	-
- Research and development expenditure	-	48,477	-	-
Write off of goodwill	-	656,070	-	-
Fixed asset write-down	-	117,101	-	-
Write-down in intercompany loan	-	-	-	825,600
Proceeds on disposal of subsidiary	658,093	2,157,822	416,329	2,157,822
Carrying value of assets sold	<u>(333,852)</u>	<u>(2,612,123)</u>	<u>(333,852)</u>	<u>(1,837,082)</u>
Net (loss)/gain	324,241	(454,301)	82,477	320,738
Net bad and doubtful debts including movements in provision for doubtful debts	-	122,355	-	-
Net expense from movements in provisions for:				
- diminution in the value of investments	188,470	80,000	188,470	1,390,490
- employee entitlements	-	37,423	-	(9,555)
Operating lease rental expenses	-	331,465	-	-
Auditors remuneration:				
- audit current year	15,000	110,506	15,000	110,506
- audit prior year	32,109	-	32,109	-
- other	-	48,000	-	48,000
Loss on disposal of investments	480	-	480	-

Notes to the Financial Statements for the year ended 30 June 2003

	Consolidated		Company	
	2003 \$	2002 \$	2003 \$	2002 \$
Included in the operating loss are the following items of operating revenue::				
Revenue from operating activities				
- rendering of services	-	3,466,069	-	354,000
- interest received – other persons	-	64,075	-	56,639
- other revenue	3,879	50,905	3,879	15,448
Revenue outside operating activities				
- profit on sale of subsidiary	324,241	2,157,822	82,477	2,157,822
- rental income	-	13,629	-	13,629
	328,120	5,752,500	86,356	2,597,538

NOTE 3. INCOME TAX EXPENSE

(a) Income tax expense

Prima facie income tax expense/(benefit)

Calculated at 30% on the loss from ordinary activities

	(83,229)	(961,394)	(155,758)	(772,537)
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Increase in income tax expense due to:

Amortisation of goodwill	-	31,409	-	-
Sundry	-	3,663	-	-
Write-off of goodwill	-	196,821	-	-
Write-off of loans	-	-	-	247,680
Legal expenses	-	5,400	-	5,400
Shares issued as remuneration	1,431	20,040	1,431	20,040
Transfer of tax losses to future income tax benefit not brought to account	81,798	704,061	154,327	499,417

Income tax expense/(benefit) attributable to operating profit	-	-	-	-
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(b) Current tax liabilities

Provision for current income tax	-	-	-	-
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(c) Deferred tax liabilities

Provision for deferred income tax	-	-	-	-
Provision for future income tax benefit	-	-	-	-

The potential future income tax benefit in the company arising from tax losses and timing differences has not been recognised as an asset because recovery of tax losses is not virtually certain and recovery of timing differences is not assured beyond any reasonable doubt.

Notes to the Financial Statements for the year ended 30 June 2003

	Note	Consolidated		Company	
		2003 \$	2002 \$	2003 \$	2002 \$
NOTE 4. CASH ASSETS					
Cash at Bank		459,907	56,836	459,907	-
Short term deposits		-	1,028,541	-	1,028,541
		459,907	1,085,377	459,907	1,028,541
NOTE 5. RECEIVABLES					
Current					
Trade debtors		-	1,124,455	-	-
Provision for doubtful debts		-	(178,648)	-	-
		-	945,807	-	-
Other debtors		-	7,553	-	3,937
		-	953,360	-	3,937
NOTE 6. PLANT AND EQUIPMENT					
Current					
Office furniture and equipment					
- at recoverable amount		-	321,168	-	-
Computer software					
- at recoverable amount		-	31,015	-	-
		-	352,183	-	-
Non-Current					
Office furniture and equipment					
- at cost		5,508	-	5,508	-
Accumulated depreciation		(1,021)	-	(1,021)	-
		4,487	-	4,487	-

Notes to the Financial Statements for the year ended 30 June 2003

	Note	Consolidated		Company	
		2003 \$	2002 \$	2003 \$	2002 \$
NOTE 7. OTHER					
Current					
Prepayments		-	59,375	-	38,398
Loan to controlled entity		-	-	-	247,178
GST receivable		5,874	-	5,874	-
		5,874	59,375	5,874	285,576

NOTE 8. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Non-Current					
Investments in associate		436,912	-	436,912	-
		436,912	-	436,912	-

On 25 October 2002, the Company acquired 33 shares in Tiger International Hatcheries Pty Ltd, a company incorporated in Australia, focussed on developing technologies to hatch tiger prawns in a commercial environment.

On 31 March 2003, the Company acquired a further 63 shares in Tiger International Hatcheries Pty Ltd, taking its interest up to 96 shares, representing 49% of the issued capital of Tiger International Hatcheries Pty Ltd.

On 30 June 2003, the Company announced its intention, subject to shareholder approval, to acquire a further 60 shares in Tiger International Hatcheries Pty Ltd, taking its interest up to 156 shares, representing 80% of the issued capital of Tiger International Hatcheries Pty Ltd and to acquire 80 shares in Tiger International Farms Pty Ltd, representing 80% of the issued capital of Tiger International Farms Pty Ltd.

(a) Interest in Associate

Name	Balance Date	Ownership interest of consolidated entity	
		2003	2002
Tiger Prawn Hatcheries Pty Ltd - ordinary shares		49%	-

(i) Principal activity

Research and development of technologies to cultivate and hatch tiger prawn larvae in controlled conditions

	Consolidated	
	2003	2002
(ii) Share of associate's profits / (losses)		
Share of associate's net profits	-	-

Notes to the Financial Statements for the year ended 30 June 2003

NOTE 9. OTHER FINANCIAL ASSETS

On 15 January 2002, the Company acquired 1,440,000 shares in Gemcom Software International Inc., a company incorporated in Canada, in part consideration for the sale of Whittle Programming Pty Ltd.

This investment is recorded in the financial statements of the Company as follows:

Non-Current

Investments in controlled entities	-	-	-	30,000
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Investments in other entities

Gemcom Software International Inc — at cost	446,470	440,000	446,470	440,000
Provision for diminution in value	(268,470)	(80,000)	(268,470)	(80,000)
	178,000	360,000	178,000	360,000
	178,000	360,000	178,000	390,000

	Consolidated		Company	
	2003	2002	2003	2002
Note	\$	\$	\$	\$

NOTE 10. PAYABLES

Trade creditors	22,861	168,886	22,861	-
Other creditors and accruals	11,000	1,272,072	11,000	78,525
Aggregate amounts payable to associated companies	200,000	-	200,000	-
	233,861	1,440,958	233,861	78,525

6. There have been no dividend payments proposed, paid or provided for by the Company during the financial year.
7. There is no dividend reinvestment plan in operation.

8. Statement of retained earnings showing movements is as follows:

	2003	2002
	\$	\$
Retained profits at the beginning of the financial year	(3,059,665)	144,980
Net loss attributable to members	(277,430)	(3,204,645)
Retained profits at the beginning of the financial year	(3,337,095)	(3,059,665)

9. Net tangible assets per security is as follows:

	2003	2002
	\$	\$
Net tangible assets	851,319	1,012,067
Number of ordinary shares on issue	31,587,330	24,896,391
Net tangible asset backing per ordinary share	2.70 cents	4.07 cents

10. Details of entities over which control has been gained or lost during the period, are as follows:

Entities over which control lost

Name of entity	Icon Medialab Holdings Pty Ltd
Date of loss of control	1 July 2002
Contribution to profit from ordinary activities during current financial year	Nil
Contribution to profit/(loss) from ordinary activities during previous financial year	(957,035)

Name of entity	Whittle Consulting Pty Ltd
Date of loss of control	1 July 2002
Contribution to profit from ordinary activities during current financial year	Nil
Contribution to profit/(loss) from ordinary activities during previous financial year	(163,085)

11. Details of associates and joint venture entities.

The Company holds a 49% interest in Tiger International Hatcheries Pty Ltd.

The interest in Tiger International Hatcheries Pty Ltd is equity accounted.

The contribution by Tiger International Hatcheries Pty Ltd to the consolidated entity's profit for the year ended 30 June 2003 was nil.

12. Other significant information – nil

13. N/a.

14. Commentary on results is as follows:

The year ended 30 June 2003 was one of change and development for the Company. The Company continued its focus on assessing, acquiring and developing new and innovative technological solutions to enhance the Company's operations and has restructured a number of areas of its business. During the year, the Company completed the divestment of Icon Medialab Holdings Pty Ltd (Icon) and Whittle Consulting Pty Ltd (Whittle Consulting). Icon and Whittle Consulting were sold as they failed to secure large contracts and were continuing to be a significant cash drain on the Company's resources.

The Company was pleased to announce on 25 October 2002 that it had entered into a farm-in agreement to acquire a 25% interest in Tiger International Hatchery Pty Ltd (Tiger Prawn Hatchery). Tiger Prawn Hatchery has developed technologies to cultivate and hatch tiger prawn larvae in controlled conditions for the purposes of commercial exploitation in the Kimberley region of Western Australia. Following Tiger Prawn Hatchery's success in obtaining a prawn hatchery license in May 2003, the Company was pleased to announce the further acquisition of 24% of the issued capital Tiger Prawn Hatchery, taking its interest to a total of 49%.

14.1 *The earnings per security has been calculated based on the following:*

Consolidated	2003	2002
	\$	\$
Basic Earnings	(277,430)	(3,204,645)
Diluted Earnings	(277,430)	(3,204,645)
Weighted average number of shares used as the denominator number for basic earnings per share	27,652,514	27,537,470
 Company	 2003	 2002
	\$	\$
Basic Earnings	(519,194)	(2,575,124)
Diluted Earnings	(519,194)	(2,575,124)
Weighted average number of shares used as the denominator number for basic earnings per share	27,652,514	27,537,470

14.2 *Returns to Shareholders - Nil*

14.3 *Significant features of operating performance – None.*

14.4 *The results of segments that are significant to an understanding of the business:*

The consolidated entity aims to derive revenue from the aquaculture industry. No income was earned during the financial year as the technology of cultivating tiger prawns is being refined and tested.

The consolidated entity operates within Australia.

14.5 *Discussion of trends in performance – N/a.*

14.6 *Any other factors which have affected the results or which are likely to do so in the future – Nil.*

15. This report is based on accounts which are in the process of being audited.

16. No dispute or qualification is anticipated.

17. N/a.

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.
- 2 This report, and the accounts upon which the report is based (if separate), use the same accounting policies.
- 3 This report does give a true and fair view of the matters disclosed.
- 4 This report is based on accounts which are in the process of being audited.
- 5 If the audit report or review by the auditor is not attached, details of any qualifications will follow immediately they are available.
- 6 The entity does not have a formally constituted audit committee.

Sign here:

(DIRECTOR)

Date: 12 September 2003

Print name: TOR THEUNISSEN