Asset Owl

ACN 122 727 342

CONSOLIDATED ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2023

CONTENTS

CORPORATE DIRECTORY

DIRECTORS	Simon Trevisan (Non-Executive Chairman) Geoff Baldwin (Non-Executive Director) Adrian Siah (Non-Executive Director) Marene Ter (Non-Executive Director)
COMPANY SECRETARY	Sean Meakin
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AUDITORS	BDO Audit (WA) Pty Ltd Level 9, Mia Yellagonga Tower 2 5 Spring Street PERTH WA 6000
SHARE REGISTRY	Advanced Share Registry 110 Stirling Highway, Nedlands, WA 6009 Telephone: 1300 113 258 (within Australia) +61 (0) 8 9389 8033 (international)
HOME EXCHANGE	Australian Securities Exchange Ltd Central Park 152-158 St Georges Terrace PERTH WA 6000 **ASX Code: AO1**
SOLICITORS	Blackwall Legal LLP Level 26, 140 St Georges Terrace PERTH WA 6000
BANKERS	St George Bank Level 3, Brookfield Place Tower 2 123 St Georges Terrace PERTH WA 6000

OPERATIONAL REPORT

Dear Shareholders,

On behalf of the Board of Directors, it is my pleasure to present the 2023 Annual Report for AssetOwl Limited.

The 2023 financial year (FY23) was a challenging year for the Group.

Notwithstanding, under the leadership of our former CEO, Mr Geoff Goldsmith, owing to the continued hard work of our personnel, there were a few achievements during the year, these included:

- An increase in paying customers from two to 28 over the period from 30 June 2021 to 30 June 2023,.
- Release of the inspection software platform, under the Pirsee brand, to all states and territories in Australia, with paying real estate agency customers in three states.
- Deployment of new inspection offering for new apartments. New house and apartment builds have a warranty and defects rectification process attached and need to be inspected in a way not different from an entry inspection for a rental property.

However, the take up by customers slowed into the new financial year, culminated in the Group's subsidiary Company, AssetOwl Technologies Pty Ltd discontinuing support for its Pirsee product. Whilst the number of customers using the platform increased during year, the Company was unable to continuing maintaining the cost of providing service to our customers. The company is no longer generating revenue from its small customer base.

Though support for the Pirsee product is currently not being supported the company retains the product IP and code so that it can be brought back to market. The company is exploring alternative ways to re-enter the market as a more sustainable business with additions to its range of software products to service investors by an acquisition transaction.

Financial Performance

The Company's net loss after tax in FY23 increased by 65.81% to $3.78 million. This increase in loss was substantially attributable to the recognition of impairment of the Group's Goodwill asset, which arose upon the acquisition of AssetOwl Technologies Pty Ltd in 2016, the amount of impairment expense recognised during the year was $1.06m. With the decision to discontinue supporting the Pirsee product we were able unable to justify retaining this asset at 30 June 2023.

The loss generated also included employee benefits expense of $1.5 million, this cost included wages our staff, and costs associated with making employees redundant which occurred in the new year.

Accordingly, in the 2024 financial year, there will likely be a substantial improvement in the Group's financial performance.

OPERATIONAL REPORT

Corporate

During the year, the Company raised $375,000 through the issue of shares to two investors via Placements.

To maximise the Company's cash reserves, the directors of the Company, and Tribis Pty Ltd, a company related to the Chairman, Mr Simon Trevisan have accrued fees since 1 December 2022.

In April 2023, Ms Marene Ter was appointed as a director of the Company, Marene is the Founder and Managing Director of Trinitas Investments, and a Partner of Trinitas Private Pty Ltd, a private investment firm advising family offices and high net worth investors. Trinitas Private Pty Ltd holds 240,000,000 Ordinary Shares in the Company (being 13.24%).

At the Company's Annual General Meeting in November, shareholders will be asked to consider various resolutions.

Subject to shareholder approval, the Company will also be seeking to settle a substantial portion of its its debts through the issue of Ordinary Shares, which will strengthen the Company's balance sheet.

Simon Trevisan
Non-Executive Chairman
AssetOwl Limited

DIRECTORS' REPORT

The Directors present their report together with the financial report of AssetOwl Limited (**Company**) and consolidated subsidiaries ('**the Group**') for the financial year ended 30 June 2023 and the Auditor's Report thereon.

DIRECTORS

The names and details of the Directors in office during the financial year and until the date of this report are set out below.

• Simon Trevisan	(Non-Executive Chairman)
• Giuseppe Di Franco	(Executive Director and Chief Technology Officer, until 23 September 2022 and 29 July 2022 respectively)
• Geoff Baldwin	(Non-Executive Director)
• Adrian Siah	(Non-Executive Director)
• Marene Ter	(Non-Executive Director, appointed 6 April 2023)

Directors have been in office the entire period unless otherwise stated.

PRINCIPAL ACTIVITIES

The Group's principal activity is technology and software development.

DIVIDENDS PAID OR RECOMMENDED

The Directors of the Group do not recommend the payment of a dividend in respect of the current financial year ended 30 June 2023 (30 June 2022: Nil).

OPERATING RESULTS

The Group's net loss after providing for income tax for the year ended 30 June 2023 amounted to $3,781,881 (2022: loss of $2,280,881). At 30 June 2023, the Group had $48,020 of cash and cash equivalents (2022: $1,219,901).

KEY BUSINESS RISKS

The operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks include a variety of company, industry and general risks including (without limitation):

<u>Level of Operations</u>

In July, the Company announced that it is no longer supporting its Pirsee product in the format to the small customer base that it provided the product to in the 2023 and earlier financial years, as it was uneconomical to continue doing so.

Accordingly, at present, whilst the company retains the ability to provide this product, the company does not have any customers, or employees.

Whilst the directors are actively pursuing opportunities to increase the level of operations, there can be no guarantee that operations of the group will increase.

Reliance on debt funding

For the year ended 30 June 2023, the Group was substantially reliant on financial support from substantial shareholder Tribis Pty Ltd and other lenders.

Whilst Tribis has provided a letter of support guaranteeing the debts of the Company for up to a 12-month period to 30 September 2024, there can be no guarantee that funding may be available beyond this date. In the absence of a material amount of funds being secured for the business.

Generation of Operating losses

For the year ended 30 June 2023, and recent financial years, the Company has generated losses. It is likely that this trend will continue until the Company is able to commence operating a business which generates revenue to an extent that exceeds costs incurred by the Operations of the Group, including overheads.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

All significant changes in the state of affairs of the Group during the year are discussed in detail in the Operational Report set out from page 6.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Discontinuation of support for Pirsee Product

Subsequent to the end of the financial year, on 27 July 2023, the Company determined that supporting Pirsee in the existing format to its small customer base was uneconomic and provided notice to its customers of discontinuation of support. The Company is exploring alternative ways to re-enter the market as a more sustainable business with its software platform. As announced in the Company's quarterly report which was announced to the ASX on 31 July 2023, the inspection platform still holds substantial value and the Company is pursuing alternative options to re-enter the market.

The Consolidated Statement of Profit or Loss and Other Comprehensive Income does not reflect discontinued operations.

Cessation of Mr Geoff Goldsmith as CEO

As indicated in an announcement on 27 July 2023, on 25 August 2023 the Company's CEO, Mr Geoff Goldsmith finished employment with the Company.

No other matters or circumstances have arisen since 30 June 2023 that have significantly affected the Group's operations, results, or state of affairs, or may do so in future years.

DIRECTORS' REPORT

BOARD OF DIRECTORS

Simon Trevisan B Econ, LLB (Hons), MBT – Non-Executive Chairman	
Experience and Expertise	Simon Trevisan is the Managing Director of Tribis Pty Ltd, and its property arm, Iris Residential Pty Ltd. He has significant experience in public and private investments, corporate finance, and management of large public and private businesses. Mr Trevisan has been responsible for the funding and management of a number of public companies, and substantial private and public real estate and infrastructure investments. His experience includes the establishment and listing of Mediterranean Oil & Gas plc, an AIM-listed oil and gas company with production and a substantial oil discovery in Italy, the successful listing of Ausgold Ltd and Regalpoint Resources Ltd, and the relisting of Brazilian Metals Group Ltd amongst other ASX-traded companies. He holds a Bachelor of Economics and a Bachelor of Laws from the University of Western Australia, and a Masters Degree in Business and Technology from the University of New South Wales. Before becoming a full-time executive with Tribis, Mr Trevisan practiced as a solicitor with Allens Arthur Robinson Legal Group firm, Parker and Parker, in the corporate and natural resources divisions. Mr Trevisan is the Chairman of the Board, Chairman of the Nomination and remuneration Committee and a member of the Audit and Risk Committee.
Other Current Directorships	Managing Director of Tribis Pty Ltd Managing Director of Iris Residential Pty Ltd Non-Executive Director of Zeta Petroleum Plc
Former Directorships in last 3 years	Non-Executive Director of BMG Resources Limited (retired 13 October 2020)
Special Responsibilities	Chairman of the Board of Directors Chairman of the Nomination and Remuneration Committee Member of the Audit and Risk Committee
Interests in AssetOwl Limited	107,251,584 Ordinary shares 6,000,000 Options over Ordinary Shares

Giuseppe Di Franco – Executive Director and Chief Technology Officer (until 29 July 2022)	
Experience and Expertise	Giuseppe Di Franco was a founding shareholder and director of AssetOwl Technologies before its acquisition by the Company in December 2016. Mr Di Franco is a passionate technologist with broad industry experience in software development and information technology. He previously worked with Google as part of its Business View program from inception in Australia before co-founding AssetOwl Technologies. At AssetOwl Technologies, Mr Di Franco lead the teams developing the web and mobile applications, robotic hardware and vision systems which have successfully built an ISO 27001 certified enterprise solution and developed hardware for high-speed data acquisition.
Other Current Directorships	None
Former Directorships in last 3 years	None
Special Responsibilities	Chief Technology Officer (resigned 29 July 2022)
Interests in AssetOwl Limited	4,500,000 Options over Ordinary Shares

Geoff Baldwin MAICD – Non-Executive Director	
Experience and Expertise	Mr Baldwin has over 30 years' experience in the real estate sector and is currently the Managing Director and Owner of RE/MAX Western Australia (since 2009), and Managing Director and Co-Owner of Phoenix CPD, a Real Estate training company, providing compulsory professional development and elective training and coaching for real estate industry professionals. Mr Baldwin is a former director and owner of Greatnet, a real estate technologies company, Mr Baldwin's firm developed the first real estate property inspection software in Australia, introduced Virtual Tour technology to the real estate industry in WA and developed websites and client management software for the industry. Mr Baldwin's other property experience has included being CEO of the Roy Weston Group from 2001 to 2006, and subsequent to this; being the co-owner of Consolidated Property Management and the Geoff Baldwin Realty Group. As well as having an extensive property background, Mr Baldwin's professional memberships include: WA Chamber of Commerce & Industry, the Real Estate Institute of WA and the Australian Institute of Company Directors. He has made multiple contributions to the Real Estate Industry, including being past Councillor and Treasurer of the Real Estate Institute of WA and Chairman of the Certified Practising Real Estate Agents from 2015 to 2017. Mr Baldwin is a member of the Nomination and Remuneration Committee.
Other Current Directorships	Geoff Baldwin.com Realty Group Pty Ltd (T/A RE/MAX Western Australia)
Former Directorships in last 3 years	None
Special Responsibilities	Member of the Nomination and Remuneration Committee
Interests in AssetOwl Limited	6,739,283 ordinary shares 4,250,000 Options over Ordinary Shares

DIRECTORS' REPORT

Adrian Siah BMS CA MAICD – **Non-Executive Director**	
Experience and Expertise	Adrian is currently the Managing Director for the privately owned Gem Group, a consolidated group of companies specialising in investments and real estate. He is a Non-Executive Director for the ASX listed Environmental Group Limited and is Chair of the Audit and Risk Committee. In addition, Adrian has held senior management roles in New Zealand prior to relocating to Australia 15 years ago. With his foundations in highly competitive business sectors, Adrian brings AO1 a relevant range of experience in working with high growth companies. Adrian has an accounting degree from the University of Waikato and is a graduate of the Institute of Chartered Accountants.
Other Current Directorships	None
Former Directorships in last 3 years	Non-Executive Director of The Environmental Group Ltd (ASX: EGL) (retired 24 August 2023)
Special Responsibilities	Chairman of the Audit and Risk Committee
Interests in AssetOwl Limited	39,666,661 ordinary shares

Marene Ter – Non-Executive Director (appointed 6 April 2023)	
Experience and Expertise	Marene is the Founder and Managing Director of Trinitas Investments, and a Partner of Trinitas Private Pty Ltd, a private investment firm advising family offices and high net worth investors.
Other Current Directorships	Director of Trinitas Investments Pty Ltd Director of Trinitas Private Pty Ltd
Former Directorships in last 3 years	Nil
Special Responsibilities	Member of the Audit and Risk Committee
Interests in AssetOwl Limited	240,000,000 ordinary shares

COMPANY SECRETARY

Sean Meakin B. Bus (Acc), B. IT (Info Sys), CA, AGIA	
Experience and Expertise	Mr Meakin has a Bachelor of Business degree majoring in Accounting, and a Bachelor of Information Technology degree majoring in Information Systems from Charles Darwin University. Mr Meakin is a Chartered Accountant and an associate of the Governance Institute of Australia. Mr Meakin was appointed as Company Secretary of the Company in September 2019, he is also the Company Secretary of BMG Resources Limited (ASX: BMG) and Zeta Petroleum PLC. Mr Meakin works closely with the Company's finance team for the preparation of Company's annual report and half yearly financial report. Mr Meakin is an employee of Tribis Pty Ltd and provides services to the Company pursuant to Administration Services Agreement in place with Tribis Pty Ltd.

DIRECTORS' REPORT

DIRECTORS' MEETINGS

During the financial year, there were 13 Board of Director's meetings and 2 Audit and Risk Committee meetings held. Attendances by each Director during the year were as follows:

	Directors' Meetings		Audit and Risk Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Directors				
Simon Trevisan	13	13	2	2
Giuseppe Di Franco	-	-	-	-
Geoff Baldwin	13	12	-	-
Adrian Siah	13	13	2	2
Marene Ter	2	2	-	-

The chairman of the Nomination and Remuneration Committee did not consider it necessary to call a committee meeting during the year.

DIRECTORS' REMUNERATION

Information about the remuneration of Directors is set out in the Remuneration Report below.

REMUNERATION REPORT (AUDITED)

This report details the nature and amount of remuneration for each Director of AssetOwl Limited and other Key Management Personnel. This Remuneration Report outlines the Director and Executive remuneration arrangements of the Group and has been audited in accordance with the requirements of section 308(3C) of the *Corporations Act 2001* and the Corporations Regulations 2001.

For the purposes of this report, Key Management Personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether Executive or otherwise) of the Group.

Key Management Personnel disclosed in the Report

Names and positions held of the Group's Directors and Key Management Personnel in office at any time during the financial year are:

Directors	
Mr Simon Trevisan	(Non-Executive Chairman)
Mr Giuseppe Di Franco	(Executive Director, until 23 September 2022) (Chief Technology Officer, until 29 July 2022)
Mr Geoff Baldwin	(Non-Executive Director)
Mr Adrian Siah	(Non-Executive Director)
Ms Marene Ter	(Non-Executive Director, appointed 6 April 2023)

Other Key Management Personnel

Mr Geoff Goldsmith	(Chief Executive Officer, until 25 August 2023)

Remuneration Governance

The Nomination and Remuneration Committee provides assistance to the Board with respect to the following:

(a) Remuneration policies and practices;

(b) Remuneration of the Executive Director and Chief Executive Officer;

(c) Composition of the Board; and

(d) Performance Management of the Board and of the Chief Executive Officer.

Use of Remuneration Consultants

During the year, the Group has not required or used any remuneration consultants.

Membership and Composition

The minimum number of members required on the Committee is two Directors. At least one member of the Committee must be a Non-Executive Director of the Board.

The Chair of the Committee is to be a Non-Executive Director, nominated by the Board, who may be the Chairman of the Board.

The Secretary of the Committee shall be the Company Secretary, or such other person as nominated by the Board.

Executive Remuneration Policy and Framework

The Nomination and Remuneration Committee is to review and make recommendations regarding the following:

(a) strategies in relation to executive remuneration policies;

(b) compensation arrangements for the Executive Director, Non-Executive Directors and other senior executives as appropriate;

(c) performance related incentive policies;

(d) the Group's recruitment, retention and termination policies;

(e) the composition of the Board having regard to the skills/experience desired and skills/experience represented;

(f) the appointment of Board members;

(g) the evaluation of the performance of the Executive Director and Chief Executive Officer;

(h) consideration of potential candidates to act as Directors; and

(i) succession planning for Board members.

DIRECTORS' REPORT

Processes

The Committee shall meet as frequently as required to undertake its role effectively and properly. A quorum for the Committee meeting is when at least two members are present. Any relevant employees may be invited to attend the Committee meetings.

The issues discussed at each Committee meeting as well as the Minutes of each meeting are reported at the next Board Meeting. The Committee Chair shall report the Committee's recommendations to the Board after each meeting.

The Committee reviews, and may recommend to the Board, any necessary actions and/or changes it considers appropriate. The Committee may undertake any other special duties as requested by the Board.

Key Management Personnel Remuneration Policy

The Board's policy for determining the nature and amount of remuneration of Key Management Personnel for the economic entity is as follows:

The remuneration structure for 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 Group. The contracts for service between the Group and Key Management Personnel are on a continuing basis, the terms of which are not expected to change in the immediate future. There is no scheme to provide retirement benefits, other than statutory superannuation.

The Nomination and Remuneration Committee determines the proportion of fixed and variable compensation for each Key Management Personnel.

Setting of remuneration is designed to increase goal congruence between Shareholders, Directors and Executives. The board may consider the issue of options as part of the Director's remuneration to encourage the alignment of personal interest and shareholder interests.

Director Remuneration

On appointment to the Board, all Non-Executive Directors enter into an agreement with the Group. The Letter of Appointment summarises the Board policies and terms, including remuneration, relevant to the Office of Director.

Directors do not receive additional fees for chairing or participating on Board committees. Directors do not receive retirement allowances.

Fees are reviewed annually by the Board taking into account comparable roles. The current base fees were reviewed with effect from 1 July 2016. Fees for the Directors of the Company are below:

	From 1 July 2023 ($)	From 1 July 2022 to 30 June 2023 ($)
Non-Executive Chairman (fee per month)	5,000	5,000
Non-Executive Director (fee per month)	3,000	3,000
Executive Director (fee per month)	n/a	3,000

DIRECTORS' REPORT

With effect from 1 December 2022, the directors of the Company have agreed to accrue their director fees. The directors will continue to accrue their fees until the company completes a necessary capital raising and when the Board considers it appropriate to resume paying directors. The fees payable to the Directors of the Company or their related parties is as follows:

Director	Total Value
Mr Simon Trevisan	$35,000
Mr Adrian Siah	$21,285
Mr Geoff Baldwin	$21,000
Ms Marene Ter	$9,000
Total	**$86,285**

Remuneration arrangement with Executive Director / Chief Technology Officer

Mr Giuseppe Di Franco was the Chief Technology Officer of the Company from 1 July 2022 until his resignation from this role on 29 July 2022. During this period, his remuneration was $181,590 per annum, plus superannuation. In addition, Mr Di Franco was paid a fee of $3,000 per month for his role as an Executive Director.

Remuneration of other Key Management Personnel

Remuneration arrangement with Chief Executive Officer

Mr Geoff Goldsmith was the CEO of the Company for the entire financial year, before ceasing employment from 25 August 2023. During this period, his remuneration was $150,000 per annum, plus superannuation.

Chief Executive Officer – Geoff Goldsmith	
Fixed Remuneration	$150,000 per annum, plus applicable superannuation.
Contract Duration	The Executive Services Agreement had no pre-determined end date. Mr Goldsmith's appointment ceased on 25 August 2023.
Notice period for Termination	6 months
Performance Based Remuneration (Short Term Incentive 'STI')	Pursuant to the terms of the Executive Services Agreement, Mr Goldsmith is entitled was entitled to receive a short-term cash incentive "Revenue Bonus", subject to the achievement of targets. No STI was paid to, or is payable to Mr Goldsmith in relation to the 2023 financial year.
Performance Based Remuneration (Long Term Incentive)	In May 2021 Mr Goldsmith was awarded 5,500,000 Share Options. To 30 June 2022 vesting conditions attached to 3,000,000 of these Options had not been achieved and these Options lapsed at that date. The vesting condition attached to the remaining 2,500,000 Options was the achievement of 800 Customers by 31 December 2022 (tranche 5). The vesting conditions attached to these Options were not achieved and accordingly, no LTI benefit was realised by Mr Goldsmith during the year.

DIRECTORS' REPORT

Link between remuneration and performance

The Group's total remuneration of Key Management Personnel during the 2023 financial year is approximately 33% lower than that of the 2022 year. This decrease is attributable to resignation of Giuseppe Di Franco at the commencement of the 2023 financial year.

The table below shows key performance indicators of the Group for the previous five financial years.

	2023	2022	2021	2020	2019
Net (Loss) after tax	($3,781,881)	($2,280,881)	($1,570,247)	($1,127,409)	($2,010,860)
Basic earnings per share (cents per share)	(0.23)	(0.22)	(0.30)	(0.35)	(1.82)
30 June share price	$0.001	$0.002	$0.006	$0.007	$0.007
(Decrease) in share price (%)	(50%)	(67%)	(14%)	-	(78%)

Key Management Personnel Remuneration

The tables below detail the nature and amount of each element of remuneration of the Key Management Personnel of the Group:

2023 Key Management Personnel								
Name	**Role**	**Salary ($)**	**Directors Fees ($)**	**Annual and Long Service Leave ($)**	**Post-employment Benefits ($)**	**Share Options ($)**	**Total ($)**	**Performance Related (%)**
DIRECTORS								
Simon Trevisan[1]	Non-Executive Chairman	-	60,000	-	-	1,374	61,374	2.24%
Giuseppe Di Franco	Executive Director / Chief Technology Officer	17,461	6,000	11,715	6,852	(3,335)	38,693	(8.62%)
Geoff Baldwin[3]	Non-Executive Director	-	36,000	-	-	973	36,973	2.63%
Adrian Siah	Non-Executive Director	-	33,720	-	2,280	-	36,000	-
Marene Ter[2]	Non-Executive Director	-	9,000	-	-	-	9,000	-
OTHER KEY MANAGEMENT PERSONNEL								
Geoff Goldsmith	Chief Executive Officer	150,000	-	(2,085)	15,750	-	163,665	-
TOTAL		**167,461**	**144,720**	**9,630**	**24,882**	**(988)**	**345,705**	**(0.29%)**

1. Mr Trevisan's fees are paid to Albuquerque Trevisan Pty Ltd, a company of which he is a director and shareholder.
2. Ms Ter was appointed as a Non-Executive Director of the Company on 6 April 2023.
3. Mr Baldwin's fees are paid to Remax Exchange General Pty Ltd, a company of which he is a director.

2022 Key Management Personnel								
Name	**Role**	**Salary ($)**	**Directors Fees ($)**	**Annual and Long Service Leave ($)**	**Post-employment Benefits ($)**	**Share Options ($)**	**Total ($)**	**Performance Related (%)**
DIRECTORS								
Simon Trevisan[1]	Non-Executive Chairman	-	60,000	-	-	5,019	65,019	7.72%
Giuseppe Di Franco	Non-Executive Director / Chief Technology Officer	182,288	36,000	(14,846)	22,628	5,019	231,089	2.17%
Geoff Baldwin[3]	Non-Executive Director	-	36,000	-	-	3,555	39,555	8.99%
Adrian Siah[2]	Non-Executive Director	-	11,367	-	-	-	11,367	-
OTHER KEY MANAGEMENT PERSONNEL								
Geoff Goldsmith	Chief Executive Officer	150,677	-	6,390	15,066	(1,186)	170,947	(0.69%)
TOTAL		**332,965**	**143,367**	**(8,456)**	**37,694**	**12,407**	**517,977**	**2.40%**

1. Mr Trevisan's fees are paid to Albuquerque Trevisan Pty Ltd, a company of which he is a director and shareholder.
2. Mr Siah was appointed as a Non-Executive Director of the Company on 7 March 2022. His fees are paid to GEM Syndication Pty Ltd, a company of which he is a director.
3. Mr Baldwin's fees are paid to Remax Exchange General Pty Ltd, a company of which he is a director.

DIRECTORS' REPORT

Equity instruments disclosure held by Key Management Personnel

Share Holdings

Number of shares held by Parent Entity Directors and other Key Management Personnel of the Group, including their personally related parties, are set out below.

2023 Key Management Personnel	Balance at the start of the year	Other	Balance at the end of the year
Directors of AssetOwl Limited			
Simon Trevisan	107,251,584	-	107,251,584
Giuseppe Di Franco	12,683,172	(12,683,172)	-
Geoff Baldwin	6,739,283	-	6,739,283
Adrian Siah	39,666,661	-	39,666,661
Marene Ter	-	240,000,000	240,000,000
Other Key Management Personnel			
Geoff Goldsmith	5,100,000	-	5,100,000

Option Holdings

Number of shares held by Parent Entity Directors and other Key Management Personnel of the Group, including their personally related parties, are set out below.

2023 Key Management Personnel	Balance at the start of the year	Lapsed	Balance at the end of the year	Vested
Directors of AssetOwl Limited				
Simon Trevisan	6,000,000	-	6,000,000	6,000,000
Geoff Baldwin	4,250,000	-	4,250,000	4,250,000
Adrian Siah	-	-	-	-
Marene Ter	-	-	-	-
Giuseppe Di Franco	6,000,000	(1,500,000)	4,500,000	4,500,000
Other Key Management Personnel				
Geoff Goldsmith	2,500,000	(2,500,000)	-	-

There were no options exercised by Directors or Key Management Personnel during the year ended 30 June 2023. Further disclosure in relation to these Options is provided at note 16 to the financial statements.

DIRECTORS' REPORT

OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Administration services

Tribis Pty Ltd, a company associated with Mr Simon Trevisan provides office space, office equipment, supplies, corporate management and administration services in connection with the operations of the Company and amounts are payable on a monthly basis.

Corporate administration services include those services necessary for the proper administration of a small public Company, including:

(a) administrative, management, corporate, advisory and other similar services;
(b) management of third-party professional and expert services including legal and audit and investment banking, independent technical expert and other services;
(c) head office support services including provision of office space for the Company's managing director and one other Company appointee, shared access to Tribis' office IT and telecommunications equipment and access to third party-provided communications systems and support;
(d) company secretarial, administrative support, accounting, payroll business analysis and recruitment and employee administration services; and
(e) other administration services as may be requested from time to time by the Board and as agreed by Tribis.

The Group must pay a monthly fee to Tribis Pty Ltd plus reimbursement for each month of the certain costs, expenses and liabilities incurred and/or paid by Tribis on behalf of the Group during the month.

From 1 July 2022, Tribis Pty Ltd, has charged a fee of $10,000 plus GST per month, totaling $120,000 plus GST for the 2023 financial year (30 June 2022: $120,000).

Simon Trevisan (Chairman of the Group) is the Managing Director and a substantial shareholder of Tribis Pty Ltd.

With effect from 1 December 2022, Tribis agreed to accrue the monthly fee payable, accordingly, at 30 June 2023, the debt payable is $70,000.

Loans provided by related parties

As foreshadowed in the appendix 4C for the quarter ended 31 December 2022, the Company entered into loan agreements on commercial terms with three parties. The loans are repayable either conversion to equity on the terms of the placement announced on 9 February 2023, subject to necessary shareholder approval, or from the proceeds of future capital raises. The loans are unsecured.

The , loans were provided by Tribis Pty Ltd, Company Chairman Simon Trevisan, and two entities of which Non-Executive Director, Mr Adrian Siah has joint control over, and a third unrelated party.

In respect of one loan provided by Tribis and the two entities which are related to Mr Siah, the terms of the loans are identical other than with respect to the Principal amount and the facility fee, the terms which are identical are set-out in the table below.

Clause	Description
Effective date:	6 February 2023
Interest:	18% p.a. accruing daily on the outstanding balance of the Loan and capitalised fees

Clause	Description
Capitalisation of Loan Costs:	Provided there is no default, all fees and interest payable in relation to the Loan accrue and capitalise from due dates.
Manner of repayment of Loan:	The loan including all capitalised amounts will be settled at the lenders election from: a) cash from a capital raising excluding the Minimum Capital Raising; b) subject to any necessary ASX or shareholder approvals, shares in AssetOwl at the lowest capital raising price for a capital raising undertaken by AssetOwl undertaken between the Effective Date and the date of repayment; or c) any combination at the lenders nomination of these alternatives. in respect of b) above, the date of repayment is the date that the Company settles the loan with the counterparty, as at the date of this financial report, the loans have not yet been repaid and the date of repayment is known, it is anticipated that this date within 5 business days of the Company's Annual General Meeting in November 2023.
Default events:	Each of the following is a "Default Event": a) AssetOwl fails to complete a $375,000 capital raising by 31 March 2023 ("Minimum Capital Raising") or a later date agreed by the lender; and b) AssetOwl is involuntarily suspended from the ASX or deregistered from listing on the ASX or no longer meets the requirements to maintain a listing on the ASX; c) If AssetOwl or any subsidiary has an insolvency event.

A second loan was provided by Tribis and a loan was provided by Company Chairman, and Managing Director of Tribis, Mr Simon Trevisan. These two loans were provided without a formal loan agreement, these loans are unsecured and were provided on an interest free basis.

In respect of loans with Tribis, the details of the loan principal, facility fee, interest accrued and balance owing at 30 June 2023 is set out below:

	Loan with written agreement	Additional, 2nd loan
Principal	$180,000	$156,000
Facility Fee	$10,000	-
Interest (18%):	$13,817	-
Balance owed at 30 June 2023	**$203,817**	**$156,000**

In addition, a loan of $25,000 was provided by Tribis Pty Ltd Managing Director, Mr Simon Trevisan.

In respect of a loan with CEA SMSF Pty Ltd, of which Adrian Siah is a director, the details of the loan principal, facility fee, interest accrued and balance owing at 30 June 2023 is set out below:

	Value
Principal	$42,000
Facility Fee	$4,200
Interest (18%):	$3,017
Balance owed at 30 June 2023	**$49,217**

In respect of a loan with GEM Syndication Pty Ltd, of which Adrian Siah is a director, the details of the loan principal, facility fee, interest accrued and balance owing at 30 June 2023 is set out below:

	Value
Principal	$58,000
Facility Fee	$5,800
Interest (18%):	$4,022
Balance owed at 30 June 2023	**$67,822**

Provision of consultancy services by a non-executive director

The Company engaged Mr Geoffrey Baldwin to provide services to the Company requiring a time commitment at a level over and above otherwise expected from a non-executive director.

The Company paid $1,500 in fees to Geoff Baldwin.Com Realty Group Pty Ltd for services provided in leading the Company's efforts to roll out Pirsee (2022: $33,750). These fees are recognised in Professional consultant and contractor fees on the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Pirsee license agreement with a real estate agency related to a non-executive director

The Group has a license agreement for the use of Pirsee with Morecross Pty Ltd T/A RE/MAX Exchange, which commenced in December 2020. The license agreement has a fixed term of 24 months. During the financial year, the Group recognised income arising from this agreement of $600. The contract is based on normal commercial terms and conditions.

DIRECTORS' REPORT

Non-executive director, Mr Geoff Baldwin is the Managing Director of Morecross Pty Ltd. The license agreement terms were established on arms-length basis.

RE/MAX Exchange acquired an insta360 camera from the Group, the camera was sold on terms comparable to those which the Group sells cameras to other Real Estate Agency customers.

Aggregate amounts of each of the above types of other transactions with key management personnel of the Group:

	2023 ($)	2022 ($)
Amounts recognised as revenue		
Revenue from provision of Services (Pirsee license)	600	600
Revenue from sale of goods (insta360 camera)	-	630
Amounts recognised as expense		
Facility fee expense (in relation to borrowings)	20,000	-
Interest expense (in relation to borrowings)	20,856	-
Administration Fees paid to Tribis Pty Ltd	120,000	120,000
Consultancy fees paid to Geoff Baldwin.com Realty Group Pty Ltd	1,500	33,750

	2023 ($)	2022 ($)
Amounts recognised as assets		
Current Assets (provision of pirsee license)	55	55
Amounts recognised as liabilities		
Current liabilities (borrowings)	501,856	nil
Current liabilities (administration services fees payable)	70,000	nil

Voting and comments made at the Group's 2022 Annual General Meeting

The Company received 54.9% "yes" votes on its Remuneration Report for the 2022 financial year.

As the Company received more than 25% votes against the approval of the Remuneration Report, the Company has recorded its first strike in accordance with the Corporations Act 2001.

In the year to 30 June 2023 remuneration earned by the Company's Key Management Personnel has substantially reduced relative to the prior year, the Company will continue to assess the remuneration payable to Key Management Personnel.

Remuneration disclosed in the table on page 20 includes a substantial portion of fees which have not been paid to directors, the Company currently recognises director fees of $86,285 as a liability on the Consolidated Statement of Financial Position, the directors have agreed that these fees will not be paid unless the Company is in an appropriate financial position to do so.

The Group did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

This is the end of the Audited Remuneration Report.

DIRECTORS' REPORT

SHARES UNDER OPTION

Unissued ordinary shares of AssetOwl Limited under option at the date of this report are as follows:

Grant Date	Tranche	Expiry Date	Issue price of Shares	Number under option
29 January 2021	One	31 December 2023	$0.010	13,250,000
29 January 2021	Two	31 December 2024	$0.016	5,562,500
29 January 2021	Three	31 December 2025	$0.024	4,062,500
14 July 2021	One	31 December 2024	$0.010	2,500,000
14 July 2021	Two	31 December 2024	$0.016	1,500,000
14 July 2021	Three	31 December 2025	$0.024	1,500,000
30 November 2022	Three	31 December 2025	$0.0022	30,000,000
				58,375,000

No Option holder has any right under the options to participate in any other share issue of the Company or any other entity.

Details of Options granted to key management personnel are disclosed on pages 22-24 above. In addition, the following Options are held by Mr Sean Meakin, who is an Officer of the Company but is not a member of the Key Management Personnel and accordingly, is not included in the disclosure tables on page 24 above.

Name of Officer	Grant Date	Issue price of Shares	Number under option
Sean Meakin (Company Secretary)	29 January 2021	$0.010	1,125,000
Sean Meakin (Company Secretary)	29 January 2021	$0.016	562,500
Sean Meakin (Company Secretary)	29 January 2021	$0.024	562,500
			2,250,000

DIRECTORS' REPORT

PROCEEDINGS ON BEHALF OF THE GROUP

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

The Group was not a party to any such proceedings during the year.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

(a) Indemnification

The Group has agreed to indemnify the current Directors and Company Secretary of the Group against all liabilities to another person (other than the Company or a related body corporate) that may arise from their position as Directors and Company Secretary of the Group, except where the liability arises out of conduct involving a lack of good faith.

The Agreement stipulates that the Group will meet to the maximum extent permitted by law, the full amount of any such liabilities, including costs and expenses.

(b) Insurance Premiums

During the year ended 30 June 2023, the Group paid insurance premiums in respect of Directors and Officers Liability Insurance for Directors and Officers of the Group. The liabilities insured are for damages and legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the Directors and Officers in their capacity as Directors and Officers of the Group to the extent permitted by the *Corporations Act 2001*. On 17 April 2023, the Group paid an insurance premium of $37,640 covering the period from 30 March 2023 to 30 March 2024 (2022: $35,020).

NON-AUDIT SERVICES

The Board of Directors, in accordance with advice from the Audit and Risk Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for Auditors imposed by the *Corporations Act 2001*.

The Board and the Audit and Risk Committee have considered the non-audit services provided during the financial year by the Auditor and are satisfied that the provision of those non-audit services during the financial year by the Auditor is compatible with, and did not compromise, the Auditor's independence requirements of the *Corporations Act 2001* for the following reasons:

(a) all non-audit services were subject to the Corporate Governance procedures adopted by the Group; and

(b) the non-audit services provided do not undermine the general principals relating to Auditor independence as set out in APES 110 Code of Ethics for Professional Accountants, as they did not involve reviewing or auditing the Auditor's own work, acting in a management or decision-making capacity for the Group, acting as an advocate for the Group or jointly sharing risks and rewards.

Details of the amounts paid or payable to the auditor (BDO Audit (WA) Pty Ltd) for audit and non-audit services during the year are disclosed in note 21 Remuneration of auditors.

AUDITORS INDEPENDENCE DECLARATION

The Auditors Independence Declaration as required under section 307C of the *Corporations Act 2001* for the year ended 30 June 2023 has been received and can be found on page 27.

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

Simon Trevisan
Non-Executive Chairman
Dated at Perth, Western Australia, this 29th of September 2023

CORPORATE GOVERNANCE

The Board is responsible for the overall corporate governance of the Group, and it recognises the need for the highest standards of ethical behaviour and accountability. It is committed to administering its corporate governance structures to promote integrity and responsible decision making.

The Group's corporate governance structures, policies and procedures are described in its Corporate Governance Statement which is available on the Group's website at https://www.assetowl.com/investor-centre/corporate-governance.

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DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF ASSETOWL LIMITED

As lead auditor of AssetOwl Limited for the year ended 30 June 2023 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 AssetOwl Limited and the entities it controlled during the period.

Neil Smith

Director

BDO Audit (WA) Pty Ltd

Perth

29 September 2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 ($)	2022 ($)
REVENUE			
Revenue	3	90,318	81,804
Other Income	4	4,501	192,703
EXPENSES			
Inventory Costs (including cost of goods sold)		(5,557)	(13,758)
Accounting and Audit expenses		(78,257)	(64,333)
Legal expenses		(26,771)	(37,889)
Corporate and administrative expenses		(300,178)	(314,659)
Professional consultant and contractor fees		(502,501)	(433,550)
Share based payments expense	16	(12,739)	(31,007)
Employee benefit expenses	4	(1,498,078)	(880,109)
Data Migration Costs	3	(27,432)	(15,171)
Advertising and Marketing		(40,510)	(114,388)
Subscriptions		(163,975)	(103,856)
Research expenses		-	(435,315)
Depreciation		(15,482)	(5,570)
Finance Costs	14	(61,029)	-
Impairment expense	4	(1,108,439)	-
Other expenses from ordinary activities		(35,752)	(105,783)
(LOSS) BEFORE INCOME TAX		**(3,781,881)**	**(2,280,881)**
Income tax benefit	5	-	-
(LOSS) FOR THE YEAR		**(3,781,881)**	**(2,280,881)**
Loss is attributable to:			
Owners of AssetOwl Limited		(3,781,881)	(2,280,881)
NET (LOSS) FOR THE YEAR		**(3,781,881)**	**(2,280,881)**
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE (LOSS) FOR THE YEAR		**(3,781,881)**	**(2,280,881)**
Total comprehensive loss for the year is attributable to			
Owners of AssetOwl Limited		(3,781,881)	(2,280,881)
Basic and diluted loss (cents per share)	20	(0.23)	(0.22)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2023

	Notes	2023 ($)	2022 ($)
CURRENT ASSETS			
Cash and cash equivalents	7	48,020	1,219,901
Trade and other receivables	8	17,405	230,425
Inventories	9	17,029	37,092
Other Assets	10	-	11,911
		82,454	**1,499,329**
Assets classified as held for sale	10	10,344	-
TOTAL CURRENT ASSETS		**92,798**	**1,499,329**
NON-CURRENT ASSETS			
Property, Plant and Equipment	10	-	12,957
Intangible Assets (Goodwill)	11	-	1,066,201
TOTAL NON-CURRENT ASSETS		**-**	**1,079,158**
TOTAL ASSETS		**92,798**	**2,578,487**
CURRENT LIABILITIES			
Trade and other payables	12	433,711	193,702
Employee Benefits payable	13	205,669	150,868
Borrowings	14	618,844	-
TOTAL CURRENT LIABILITIES		**1,258,224**	**344,570**
TOTAL LIABILITIES		**1,258,224**	**344,570**
NET ASSETS / (LIABILITIES)		**(1,165,426)**	**2,233,917**
EQUITY			
Contributed Equity	15	23,542,881	23,173,082
Reserves		99,687	86,948
Accumulated Losses	17	(24,807,994)	(21,026,113)
TOTAL EQUITY / DEFICIENCY		**(1,165,426)**	**2,233,917**

The Consolidated Statement of Financial Position is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	Contributed Equity ($)	Share based payments reserve ($)	Shares Reserve ($)	Accumulated Losses ($)	Total ($)
BALANCE AT 01 JULY 2021		**21,028,146**	**55,941**	**-**	**(18,745,232)**	**2,338,855**
(Loss) for the year		-	-	-	(2,280,881)	(2,280,881)
Total comprehensive (loss)		-	-	**-**	**(2,280,881)**	**(2,280,881)**
Transactions with equity holders in their capacity as equity holders:						
Share issued for capital raising	15	2,267,774	-	-	-	2,267,774
Share issue costs	15	(122,838)	-	-	-	(122,838)
Share based payments	16	-	31,007	-	-	31,007
BALANCE AT 30 JUNE 2022		**23,173,082**	**86,948**	**-**	**(21,026,113)**	**2,233,917**
BALANCE AT 01 JULY 2022		**23,173,082**	**86,948**	**-**	**(21,026,113)**	**2,233,917**
(Loss) for the year		-	-	-	(3,781,881)	(3,781,881)
Total comprehensive (loss)		-	-	**-**	**(3,781,881)**	**(3,781,881)**
Transactions with equity holders in their capacity as equity holders:						
Share issued for capital raising	15	375,000	-	-	-	375,000
Share issue costs	15	(5,201)	-	-	-	(5,201)
Share based payments	16	-	12,739	-	-	12,739
BALANCE AT 30 JUNE 2023		**23,542,881**	**99,687**	**-**	**(24,807,994)**	**(1,165,426)**

The Consolidated Statement of Changes in Equity is to be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2023

	Notes	2023 ($)	2022 ($)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		112,343	80,441
Receipt of R&D Tax Incentive		189,970	422,657
Payments to suppliers and employees		(2,377,402)	(2,435,144)
Interest paid		(1,431)	-
Interest received		4,501	2,733
NET CASH FLOWS (USED IN) OPERATING ACTIVITIES	18	**(2,072,019)**	**(1,929,313)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of Property, Plant & Equipment	10	27,273	-
Payment to acquire Property, Plant & Equipment	10	(57,934)	(14,410)
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES		**(30,661)**	**(14,410)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	15	375,000	2,267,774
Payment of Share Issue Costs	15	(5,201)	(122,838)
Proceeds from borrowings	14	633,000	-
Repayment of borrowings	14	(72,000)	-
NET CASH PROVIDED BY FINANCING ACTIVITIES		**930,799**	**2,144,936**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD		**(1,171,881)**	**201,213**
Cash and cash equivalents at beginning of year		1,219,901	1,018,688
CASH AND CASH EQUIVALENTS AT END OF YEAR	6	**48,020**	**1,219,901**

The Consolidated Statement of Cash Flows is to be read in conjunction with the accompanying notes.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

The primary accounting policies adopted in the preparation of the Financial Statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

(a) General Information

AssetOwl Limited (**Company**) or (**Entity**) is a public Company listed on the Australian Securities Exchange (ASX ticker: AO1), incorporated in Australia and operating in Australia. The financial report of the Company for the financial year ended 30 June 2023 comprises the Company and its subsidiaries (together referred to as the '**Group**'). The address of the Group's registered office is Level 14, 225 St Georges Terrace, Perth WA 6000, Australia. The primary business of the Group is technology and software development.

(b) Basis of Preparation

The financial report is a general-purpose financial report which has been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. AssetOwl Limited is a for profit entity for the purpose of preparing the Financial Statements.

Compliance with IFRS

The Financial Statements of the Group also comply with International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standard Board (IASB).

The Financial Statements were approved by the Board of Directors on 29 September 2023.

Historical cost convention

The financial report has been prepared on an accrual basis and is based on historical costs *modified* by the revaluation of selected non-current assets, financial assets and financial liabilities for which the fair value basis of accounting has been applied.

All amounts are presented in Australia dollars, unless otherwise noted.

(c) Going Concern

The Directors are satisfied that the going concern assumption has been appropriately applied in preparing the financial statements and the historical financial information has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

For the year ended 30 June 2023 the Group made a loss of $3,781,881 (2022: loss of $2,280,881) and had cash outflows from operating activities of $2,072,019 (2022: cash outflows of $1,929,313). As at 30 June 2023 the Group had a net current liability position of $1,165,426 (30 June 2022: net current asset position of $1,154,759). As at 29 September 2023, the Group has Cash and Cash equivalents on hand of $27,731. These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

At 30 June 2023, current liabilities of the Company included $437,844 (refer note 14) owing to parties who have provided loans to the Company. In-line with the terms disclosed, the four lenders have advised the Company that they will request settlement of these debts through the issue of shares in the Company, subject to shareholder approval at the Annual General Meeting of the Company anticipated to be held in November 2023.

Debts of the Company at 30 June 2023 includes:

- $156,285 owed to Tribis Pty Ltd, a related party of the Company, for administration services provided and director fees accrued. The Company will continue accrue fees payable to Tribis and directors, or if necessary shareholder approval is not received, 30 September 2024, unless otherwise agreed.

- $156,000 owed to Tribis Pty Ltd provided as a loan, in addition to the $203,817 loan described at note 14. Tribis has advised that, and associated capital raising, that it will not require AssetOwl to settle the debt at a rate of greater than $10,000 per month.

The ability of the Group to continue as a going concern will be dependent on the following:

- Financial support from Tribis Pty Ltd; and
- Completion of a Corporate transaction.

As at 29 September 2023, the Group:

- Has $27,731 cash and cash equivalents on hand;
- Has received a letter of support from Tribis Pty Ltd guaranteeing the debts of the Group for a 12-month period to 30 September 2024, or the completion of the informed investor transaction and a capital raising of at least a further $1,500,000, whichever is the earlier.
- Has implemented steps to reduce its cash outflows, with annualised employment expenses of more than $1.2m removed from the Group since 30 June 2023.

Accordingly, the Directors believe that there are reasonable grounds that the Group will continue as a going concern.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the entity not continue as a going concern.

(d) New or amended Accounting Standards and Interpretations adopted

The accounting policies adopted are consistent with those of the previous financial year and corresponding reporting period, except for with respect to:

- Current assets held for sale

- Provisions

- Borrowings

- Derivatives

Current assets held for sale

In these financial statements, the accounting standard AASB 5 “Non-Current Assets Held for Sale and Discontinued Operations” has been applied for the first time.

Assets (whether current or non-current, pursuant to the definitions in accounting standard AASB 101 Presentation of Financial Statements) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

Such assets are available for immediate sale in their present condition and their sale is regarded as highly probable. To be regarded as highly probable, the below criteria is satisfied:

- the appropriate level of management is committed to a plan to sell the asset
- an active programme to locate a buyer and complete the plan has been initiated.
- The asset must be actively marketed for sale at a price that is reasonable in relation to its current fair value.
- The sale should be expected to qualify for recognition as a completed sale within one year form the date of classification

Assets classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Immediately before the classification of an asset (or disposal group) as held for sale, the carrying amounts of the assets (or all the assets and liabilities in the group) are measured in accordance with the applicable accounting standard, to this end, it may be necessary to recognise an impairment expense.

Provisions

In these financial statements, the accounting standard AASB 137 "Provisions, Contingent Liabilities and Contingent Assets Operations" has been applied for the first time.

A provision is recognised in the financial statements when all of the following conditions are met:

- The Company has a present obligation (legal of constructive) as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation

A provision for restructuring is recognised when, in addition to the conditions above, a plan for restructuring is established by the Company and it has raised a valid expectation in those affected that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected by it.

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Derivatives

A derivative is a financial instrument or other contract with all three of the following characteristics.

- its value changes in response to the change in a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other

variable, provided in the case of a non-financial variable that the variable is not specific to a party to the contract (sometimes called the 'underlying').
- it requires no initial net investment or an initial net investment that is smaller than would be required for other types of contracts that would be expected to have a similar response to changes in market factors.
- it is settled at a future date.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are classified as fair value through profit or loss with changes in FV recognised in in Profit or Loss.

The adoption of these accounting policies did not result in a material adjustment to the amounts or disclosures in the current or prior year. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

(e) Other standards not yet applicable

In the year ended 30 June 2023, the Company adopted all new and revised Standards and interpretations issued by the AASB that are relevant to its operations and effective for the current reporting period. At the date of authorisation of these financial statements, the Company has not applied the new and revised Australian Accounting Standards, Interpretations and amendments that have been issued but are not yet effective. Based on a preliminary review of the standards and amendments, the Directors do not anticipate a material change to the Company's accounting policy, however, further analysis will be performed when the relevant standards are effective.

(f) Comparative Figures

Comparative figures have been adjusted to conform to changes in presentation for the current financial year where required by accounting standards or as a result of changes in accounting policy. The values presented are in compliance with AASB 101 *Presentation of Financial Statements*.

The financial statements present reclassified comparative information where required for consistency with the current year's presentation.

(g) Principles of Consolidation

Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of AssetOwl Limited ("Company" or "Parent Entity") as at 30 June 2023 and the results of all subsidiaries for the year then ended. AssetOwl Limited and its subsidiaries together are referred to in this financial report as "the Group" or "the consolidated entity".

Subsidiaries are all those entities (including special purpose entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has right to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

In preparing the Consolidated Financial Statements, all intercompany balances and transactions, income and expenses and profit or losses resulting from inter-entity transactions have been eliminated in full. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The investments in subsidiaries held by AssetOwl Limited are accounted for at cost in the separate Financial Statements of the Group less any impairment charges. The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition.

(h) Significant accounting judgements, estimates and assumptions

The preparation of the financial report requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the Financial Statements are outlined below:

Impairment of Goodwill

The Group undertakes at least on an annual basis, a test of the Group's Goodwill for impairment irrespective of whether there exists any indication that the Goodwill may be impaired. Judgement is included in determining whether any indication of impairment of Goodwill exists. The Board views the Group as one Cash Generating Unit (CGU) and monitors the Group's goodwill at this level. The Group tests the Goodwill for impairment by comparing the market capitalisation of the Company with the value of the Company's net assets. The Group also considers the liquidity of the shares of AssetOwl Limited traded on the ASX, taken to be proxy indicator of the ability of the Company's shareholders to realise the value of their shares held in the Company.

Valuation of Financial Liabilities at Fair Value Through Profit or Loss

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement and makes assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions see note 14.

Share Based Payments

Judgement is exercised in assessing the likelihood that vesting conditions attached to Share Based Payment awards will be achieved, and accordingly, that the awards will vest. Judgement is also applied in anticipating the time frame over which the awards may vest. Subsequent re-assessments of one or either of these considerations may have a material impact in the level of expense recognised in future reporting periods.

Valuation of share-based payment awards is a material source of estimation as valuation of share payment awards involves the use of inputs including those not externally verifiable, including volatility.

Research and Development Incentive

The R&D offset receivable amount represents the expected refundable tax offset arising from AssetOwl Technologies Pty Ltd's Research and Development activity for the relevant financial year, calculated on eligible expenditure incurred in that year.

The methodology for calculating the amount of the R&D receivable for the financial year to 30 June 2022 was consistent with the R&D methodology to determine the amount of the R&D incentive for prior financial years. The determination of the receivable amount recognised at 30 June 2022 involved judgement and as a result, the amount is an estimate.

Accounting for costs to fulfil a contract

Judgement is exercised in respect of accounting for data migration costs which are incurred in relation to contracts with Pirsee customers, being real estate agencies. Judgement applies to the portion of costs incurred which are capitalised and the duration of the period over which the capitalised costs are amortised. Further detail in relation to these costs is provided at (i) below.

(i) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Board assesses the financial performance and position of the Entity and makes strategic decisions. The Board of Directors which has been identified as being the Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments.

(j) Revenue

Licensing of Pirsee

The Group's subsidiary company AssetOwl Technologies Pty Ltd ('AssetOwl') enters into contracts with customers, which are predominantly real estate agencies ('Counterparty', 'Customer'). The majority of the Group's contracts with customers are month to month contracts, with a 30 day notice period. For each agency the fee payable is a fixed monthly fee, the value of the fee that particular agency is dependent on the number of rental properties which that agency has under management at the start of any particular month.

In exchange for monthly consideration, the Counterparty is provided access to the Groups' software platform 'Pirsee'.

The transaction price, being the total consideration which the Group expects to be entitled to over the term of the contract is determined at the commencement of the license term by agreement between the Customer and AssetOwl, taking into account the number of leased residential properties for which the Customer provides real estate management services to at the commencement of the license term.

For each Counterparty which enters into a contract with AssetOwl, three services are provided, these services are: Provision of training to agency resources (including property managers) on the use of Pirsee; Upload the historical data relating to properties managed by the agency; and Provision of continued access to the Pirsee application. The primary service is access to the Pirsee application.

These three services are not distinct as the Counterparty does not obtain a benefit from the provision of any one or more services without all three services being provided, being a 'bundle of services'. Accordingly, there is a singular performance obligation / promise over which the transaction price / contract consideration is applied.

The Counterparty simultaneously receives and consumes the benefit of the service, being the ability to use the Pirsee application for the period of the contract, and all separate subsequent contract periods, accordingly the transaction price is recognised as revenue uniformly over the contract term.

Contracts which the Group enters into with a Real Estate agency have a complementary trial period, during this period the agency can elect to discontinue using Pirsee without obligation

Accounting for costs to fulfil a contract

When the Group enters into a Contract with a Real Estate Agency costs are incurred by the Group to migrate historical property inspection data from the Agency's local database/information storage depository to the Pirsee platform.

The quantum of costs incurred in relation to each Agency correlates with the volume of properties that agency has under management at the time when the agency commences a contract. The uploaded data enhances the value of Pirsee to the customer, and therefore enhances the value of Pirsee to the Group. Notwithstanding that contracts with Agency's are month to month, there is expectation that the Group recovers the cost of migrating the Agency's data over the period which the Agency is a customer.

For agencies which are paying customers the cost of data migration is amortised over a maximum period of 24 months. This number of months is a significant judgement and is re-assessed at each reporting date. If an agency elects to discontinue their pirsee service during this 'up to 24-month period' the remaining value of the capitalised cost is immediately recognised as impairment expense.

For agencies which are not paying customers, that is, they are on trial, a portion of the cost incurred by the Group is capitalised as an asset and a portion of the cost incurred is recognised as an expense as incurred. The proportion of the cost capitalised is estimated by management on a collective basis (considering the full population of agencies which are on trial at the reporting date). The percentage of costs capitalised is the estimate of the number of agencies on trial (on a number of properties basis) will convert to paying after the reporting date. This percentage is a significant judgement and is re-assessed at each reporting date. The costs capitalised in relation to these on trial agencies is not amortised.

If an agency commences a trial with the Group and discontinues the trial the costs incurred by the Group for migrating this agencies data is expensed in the year incurred.

Sale of insta360 cameras (sold to Pirsee licensees under distinct contracts)

The Group generates revenue from the sale of cameras to customers. The cameras are sold to customers under contracts separate to licenses for the Pirsee service. Contracts for the sale of cameras are distinct from contracts for the use of Pirsee as both the camera and Pirsee can be used interdependently.

Revenue from the sale of cameras is recognised at the point in time when the Group is contractually entitled to invoice the customer for the camera under the terms of the contract.

Management platform

The Groups' accounting policy for recognising revenue generated from the management platform in the current period is consistent with the policy disclosed in the Group's financial report for the year ended 30 June 2022 and is as below:

The Group generates revenue through allowing retailers to use its management platform, following execution of a software service agreement with the counterparty.

Software service agreements allow counterparties access to specific management platform modules including the platform's Audit and Properties modules, revenue is generated on a 'pay per action' basis therefore the level of revenue from a customer for a particular period is directly related to the counterparties usage level of the Group's management platform in that period. The Group generates a fee for each usage instance of the Audit module or Properties module, pursuant to the software service agreement entered into with the counterparty.

The Group has identified that the performance obligation under the software services agreements is the allowance of the counterparty to use the management platform as and when required by the counterparty, the Group generates a nominal amount of revenue for this access, with this fee being the base charge in any month.

The Group recognises revenue at the point in time when the performance obligation is satisfied, in the month when the end customer receives a benefit from the use of the management platform, revenue is generated when the management platform is used, on a "Pay per action" basis.

(k) Other Income

NOTES TO THE FINANCIAL STATEMENTS

Interest Income

Interest income is recognised using the effective interest method. The effective interest method uses the effective interest rate which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial asset.

Research and Development tax incentive benefit

Research and Development tax incentive benefit includes Research and Development ("R&D") concessions received or receivable in respect of eligible R&D as registered with AusIndustry. The R&D concession is brought to account when the eligible R&D expenditure has been identified and the resulting expected R&D incentive amount receivable has been quantified.

The R&D concession amount is recognised in other income as it relates to spending that has been expensed to the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

The R&D tax incentive amount is recognised as a current asset in the Consolidated Statement of Financial Position as the Group has turnover of less than $20 Million and therefore the R&D tax incentive amount is a refundable tax offset for the Group.

(l) Share based payments

Share based payments may be provided by the Group for the acquisition of goods or services, or to incentivise employees (including Key Management Personnel) or other service providers to the Group.

For equity settled share-based payment transactions, the value of goods or services received, and the corresponding increase in equity is measured at the fair value of the goods or services received, unless that fair value cannot be estimated reliably. If the fair value of the goods or services received cannot be estimated reliably, they are measured, and a corresponding increase in equity recognised, indirectly, by reference to the fair value of the equity instruments granted.

The grant date fair value of share-based payments granted to employees (including Key Management Personnel) is recognised as a share-based payment expense, with a corresponding increase in equity, over the period that the payments are estimated to vest. Share based payments awarded to employees (including Key Management Personnel) and consultants are measured at the fair value of the services received by reference to the fair value of equity instruments granted.

Where share-based payment awards are granted to employees (including key management personnel) or other service providers with vesting conditions other than market conditions (such as a target share price upon vesting (or exercisability)), the total amount recognised as an expense will reflect the actual number of equity instruments which ultimately vest to the recipient.

Share-based payment arrangements in which the Group receives goods or services as consideration for its own equity instruments are accounted for as equity-settled share-based payment transactions, regardless of how the equity instruments are obtained by the Group.

The Group measures the value of equity instruments granted at the fair value of the goods and services received, unless that fair value cannot be measured reliably.

If the fair value of the goods or services received cannot be reliably measured, the transaction is measured by reference to the fair value of the instruments granted.

NOTES TO THE FINANCIAL STATEMENTS

The calculation of the fair value of equity instruments at the date at which they are granted is determined using a Black-Scholes option pricing model, calculation of the fair value involves estimations of the relevant inputs to the pricing model.

(m) Income Tax Expense or Benefit

The income tax expense or benefit (revenue) for the period is the tax payable on the current period's taxable income based on the national income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax base of assets and liabilities and their carrying amounts in the Financial Statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for all temporary differences, between carrying amounts of assets and liabilities for financial reporting purposes and their respective tax bases, at the tax rates expected to apply when the assets are recovered or liabilities settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. Exceptions are made for certain temporary differences arising on initial recognition of an asset or a liability if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit. Deferred tax assets are only recognised for deductible temporary differences and unused tax losses if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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 economic 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.

(n) Cash and Cash Equivalents

'Cash and Cash Equivalents' includes cash at bank and in hand, deposits held at call with financial institutions, other short-term highly liquid deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

For the purposes of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(o) Trade receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance. See note 8 for further information about the group's accounting for trade receivables.

A provision for impairment of receivables is established when there is objective evidence that the Group will not be able to collect all amounts due. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

(p) Other Receivables

Other receivables include the Research and Development tax incentive benefit from the Australian Taxation Office and net GST receivable.

These items are measured at amortised cost and represent the amount expected to be received by the Group.

(q) Inventory

The Group's inventory is cameras which it has purchased for the purpose of selling to real estate agencies who enter into licence agreements to use the Pirsee service.

Cameras are measured at the lower of cost and net realisable value. Cost comprises the value of the camera and costs incurred in bringing the camera to the Group's possession. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to complete the sale.

(r) Property, Plant and Equipment

Recognition and measurement

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Consolidated Statement of Profit or Loss and Other Comprehensive Income during the reporting period in which they are incurred.

Depreciation and amortisation rates and methods are reviewed annually for appropriateness. When changes are made, adjustments are reflected prospectively in current and future periods only. Depreciation and amortisation are expensed.

Depreciation is calculated using the straight-line method to allocation the cost of property, plant and equipment items, net of their residual values. Useful lives of the plant and equipment is 2 to 10 years.

(s) Intangible Assets

Goodwill

Goodwill is measured as described in note 1(f), being the excess of: the consideration transferred; amount of any non-controlling interest in the acquired entity; and the acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised, but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. The determination of gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Impairment testing requires an estimation of the recoverable amount of the cash generating unit to which the goodwill is allocated.

(t) Trade and Other Payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(u) Employee Benefits

Short-term Employee Benefit Obligations

Liabilities for wages and salaries, including non-monetary benefits and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. Short Term employee benefit liabilities are included within employee benefits payable on the Consolidated Statement of Financial Position.

Other long-term Employee Benefit Obligations

Liabilities for long service leave not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are classified in non-current liabilities. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future salaries and wages levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period of government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

The obligations are presented as current liabilities in the Consolidated Statement of Financial Position if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when the actual settlement is expected to occur.

(v) Financial Assets

Classification

All of the Group's financial assets, which are included on the Consolidated Statement of Financial Position as "Trade other Receivables" are classified as subsequently measured at amortised cost. Management determines the classification of financial assets at initial recognition.

Recognition and derecognition

A financial asset is recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if the Group's contractual rights to the cash flows from the financial assets expire or if the Group transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset.

Measurement

Financial Assets are initially measured at fair value plus any transaction costs that are directly attributable to the acquisition or issue of the asset. The Group's financial assets are subsequently measured at amortised cost using the effective interest method. The fair value of trade receivables is their nominal value less estimated credit adjustments.

Financial Assets are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets.

(w) Financial Liabilities

Classification

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or financial liabilities measured at amortised cost. Financial liabilities of the Group in the former category include derivatives, financial liabilities in the latter category include trade payables and borrowings.

Recognition and derecognition

A financial liability is recognised when the Group becomes a party to the contractual provisions of the instrument. An entity shall remove a financial liability (or a part of a financial liability) from its statement of financial position when, and only when, it is extinguished – ie when the obligation specified in the contract is discharged or cancelled or expires

The difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, shall be recognised in profit or loss.

Measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest rate method.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are classified as fair value through profit or loss with changes in FV recognised in in Profit or Loss.

Fair value is 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.

(x) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of GST except where GST incurred on a purchase of goods and services is not recoverable from the Taxation Authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Consolidated Statement of Financial Position.

Cash flows are included in the Consolidated Statement of Cash Flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authorities are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(y) Impairment of Assets

At each reporting date, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

Impairment testing is performed annually for goodwill and intangible assets with indefinite lives. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Financial Assets

Impairment of financial assets is recognised on the basis of the expected credit loss, for trade receivables, the impairment recognised is equal to the lifetime expected credit loss for each individual receivable.

Non-Financial Assets

The carrying amounts of the non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite lives or that are not yet available for use, recoverable amount is estimated at each reporting date.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset of the Group that generates cash flows that largely are independent from other assets and companies. Impairment losses are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

(z) Contributed Equity

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.

(aa) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit or loss attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares;
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

NOTES TO THE FINANCIAL STATEMENTS

2. DISCONTINUATION OF SUPPORT FOR PIRSEE PRODUCT

Subsequent to the end of the financial year, on 27 July 2023, the Company determined that supporting Pirsee in the existing format to its small customer base was uneconomic and provided notice to its customers of discontinuation of support. The Company is exploring alternative ways to re-enter the market as a more sustainable business with its software platform.

The financial impact of this decision is reflected in these financial statements, specifically with respect to the Company's:

- revenue and associated assets (note 3);
- employee benefits expenses (note 4);
- Inventories (note 9);
- property, plant and equipment (note 10);
- goodwill (note 11); and
- employee benefits payable (note 13).

As announced in the Company's quarterly report which was announced to the ASX on 31 July 2023, the directors are of the opinion that the inspection platform still holds substantial value and the Company is pursuing alternative options to re-enter the market.

3. REVENUE

	2023 ($)	2022 ($)
REVENUE FROM CUSTOMERS		
Pirsee property inspection platform		
Revenue from Services (Pirsee)	56,838	11,855
Revenue from Goods (Cameras)	6,000	15,709
Management Platform		
Revenue from Services (Management Platform)	27,480	54,240
	90,318	**81,804**
Timing of Revenue recognition		
At a point in time	6,000	15,709
Over time	84,318	66,095
	90,318	**81,804**

In the year, the Group generated an increase in revenue related to its Pirsee offering, resulting from an increase in the number of real estate agencies using the platform.

In respect of the management platform, in the current financial year, and the comparative year, the Group generated revenue from one customer, with effect from 1 January 2023, the Group ceased providing this service to the customer.

Assets related to contracts with customers

The Group incurs costs to migrate historical rental property data in relation its agency customers. A portion of these costs is capitalised and amortised pursuant to the stated accounting policy at note 1(i) above.

Notwithstanding, at the end of the financial year it was anticipated that the Company would need to discontinue generating revenue from its current customers, and accordingly, at 30 June 2023 an impairment expense to reduce the value of the capitalised data migration costs to nil has been recognised.

It is, nonetheless, necessary to recognise a cost associated with providing the Pirsee service to customers in the financial year to 30 June 2023, data migration costs of $27,432 are recognised in the Consolidated Statement of Profit or Loss and Other Comprehensive Income (2022: $15,171). In the year to 30 June 2023 this amount includes amortisation of costs incurred to 30 June 2022 which were not fully amortised at that date.

4. OTHER INCOME AND EXPENSES

	2023 ($)	2022 ($)
OTHER INCOME		
R&D tax incentive benefit	-	189,970
Interest received	4,501	2,733
	4,501	**192,703**

EXPENSES

Employee Benefit Expense

Employee benefits expenses as disclosed has increased substantially relative to the comparative period, from $880,109 to $1,498,078, there are two main reasons for this.

Proportion of time spent by human resources on eligible Research and Development activity.

In the comparative reporting period, the Group completed substantial research and development activities, for which it incurred eligible expenditure and so recognised and received a research and development rebate. In that period, costs against which the Group received the rebate were transferred from profit or loss line items including Employee benefit expenses to Research and Development expenses.

As described above, no R&D tax incentive benefit was recognised in this reporting period, and accordingly no portion of salary and wages expenditure is transferred to Research and Development expenses. This has the effect of disclosing an otherwise lesser increase in material cost categories such as Employee benefit expenses, and Professional consultant and contractor fees.

Discontinuation of Pirsee service

On 30 June 2023, the Company made an announcement to the ASX that it is proactively reducing costs associated with the Pirsee business. Consistent with this announcement, in June the Company provided formal notification to four of its employees that their position is being made redundant.

As at 30 June 2023, the Company's remaining employees were also of the understanding that their position would be made redundant in July.

NOTES TO THE FINANCIAL STATEMENTS

Consistent with application of the Company's accounting policy with respect to provisions, it is necessary at 30 June 2023 to recognise the cost of making these positions redundant. The cost of making these positions redundant amounted to $105,713, being the cost of employing these individuals for the length of the notice period under their respective contracts.

This cost is recognised in employee benefits expense, with the related liability recognised in employee benefits payable at note 13.

Impairment Expense

Impairment expense of $1,108,439 is recognised, this is predominantly related impairment of the Goodwill asset to nil ($1,066,201, refer to note 11). The remainder of the impairment expense ($42,238) pertains to: writing down inventory to net realisable value ($23,253 – note 9), impairment of property, plant and equipment ($12,746 – note 10), and impairment of data migration costs capitalised at 30 June 2022.

5. INCOME TAX BENEFIT

	2022 ($)	2021 ($)
Movement in tax reconciliation		
Tax Rates		
The potential tax benefit in respect of tax losses not brought into account has been calculated at 25% (30 June 2022: 25%).		
Numerical reconciliation between tax expenses and pre-tax net loss		
Income tax benefit at the beginning of the year		
Loss before income tax expense	(3,781,881)	(2,280,881)
Income tax benefit calculated at rates noted above	(945,470)	(570,221)
Tax effect on amounts which are not tax deductible	3,807	70,001
Movement in deferred tax asset not bought to account	941,664	500,220
Income tax benefit	-	-
Deferred tax assets not brought to account		
Unused tax losses	14,837,357	12,096,194
Future 'blackhole' deductions	168,467	292,255
Other timing difference	264,830	195,108
	15,270,655	**12,583,557**
Tax at 25% (30 June 2022: 25%)	**3,817,664**	**3,145,889**

The tax note above relates to the Groups' parent company AssetOwl Limited, and the Group's operating subsidiary AssetOwl Technologies Pty Ltd, these two Companies are not part of an income tax consolidated group for the purposes of the income tax assessment act 1997.

Of the unused tax losses disclosed above, $9,910,086 (2022: $9,022,753) relates to AssetOwl Limited and $4,927,271 (30 June 2021: $3,073,441) relates to AssetOwl Technologies Pty Ltd.

For AssetOwl Limited and AssetOwl Technologies Pty Ltd as separate entities, the benefit of the unused tax losses will only be obtained if:

(a) each entity derives future assessable income of a nature and an amount sufficient to enable the benefit from the deductions for the losses to be realised;

(b) each entity continues to comply with the conditions for deductibility imposed by Law; and

(c) no changes in tax legislation adversely affect the ability of each entity to realise these benefits.

6. FINANCIAL RISK MANAGEMENT

(a) Overview

The Group has exposure to the following risks from their use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, their objectives, policies and processes for measuring and managing risk and the management of capital.

AssetOwl's Risk Management Framework is supported by the Board, Management and the Audit and Risk Committee. The Board is responsible for approving and reviewing the Group's Risk Management Strategy and Policy. Management is responsible for monitoring that appropriate processes and controls are in place to effectively and efficiently manage risk. The Audit and Risk Committee is responsible for identifying, monitoring and managing significant business risks faced by the Group and considering the effectiveness of its internal control system. Management and the Audit and Risk Committee report to the Board.

The Board has established an overall Risk Management Policy which sets out the Group's system of risk oversight, management of material business risks and internal control.

The Group holds the following financial instruments.

	Note	2023 ($)	2022 ($)
FINANCIAL ASSETS			
Cash and cash equivalents		48,020	1,219,901
Trade Receivables		7,559	20,889
		55,579	**1,240,790**
FINANCIAL LIABILITIES			
Trade and other payables		244,897	92,335
Borrowings	14	618,844	-
Derivative Financial Instruments	14	Nil	-
		863,741	**92,335**

(b) Financial Risk Management Objectives

NOTES TO THE FINANCIAL STATEMENTS

The overall financial Risk Management Strategy focuses on the unpredictability of the finance markets and seeks to optimise the potential adverse effects on financial performance and protect future financial security.

Credit Risk

Credit risk is the risk of financial loss the Group if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's cash and cash equivalents, deposits with banks, financial institutions and receivables generated in the course of business. For banks and financial institutions, only independently rated parties with a minimum rating of 'AA' are accepted.

The Group does not hold any credit derivatives to offset its credit exposure. The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates.

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	2023 ($)	2022 ($)
Cash at bank		
Cash at bank	48,020	1,219,901
	48,020	**1,219,901**
Receivables		
Trade Receivables	7,559	20,889
	7,559	**20,889**

At 30 June 2023, $1,856 of the Group's receivables are past due, no amount of the debt is considered to be impaired (30 June 2022: $11,112 of the Group's receivables are past due, no amount of the debts were considered to be impaired).

Liquidity Risk

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

Ultimate responsibility for Liquidity Risk Management rests with the Board of Directors. The Board has determined an appropriate Liquidity Risk Management Framework for the Management of the Group's short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves and continuously monitoring budgeted and actual cash flows and matching the maturity profiles of financial assets, expenditure commitments and liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying amounts as the impact of discounting is not significant. The following are contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting arrangements:

NOTES TO THE FINANCIAL STATEMENTS

	Note	Carrying Amount ($)	Contractual Cash Flows ($)	6 Months or less ($)
30 June 2023				
Trade and other payables	12	(244,897)	(247,568)	(247,568)
Borrowings	14	(618,844)	(637,769)	(637,769)
30 June 2022				
Trade and other payables		(92,335)	(92,335)	(92,335)

This table above includes the Group's borrowings, which are further described below at note 14. In respect of a substantial portion of the debt, there is an unavoidable obligation on the Group to settle the debt through the payment of cash as the terms of the loans afford the lender the opportunity to require the debt to be settled in cash, shares or a combination thereof.

Market Risk

Market risk is the risk that changes in market prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while Optimizing return. At the end of the financial year, The Group's sole exposure to market risk is interest rate risk.

Interest Rate Risk

The Group's exposure to interest rates relates to the Group's cash and cash equivalents. The Group manages market risk by monitoring levels of exposure to interest rate risk and assessing market forecasts for interest rates.

Profile

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments are:

Variable Rate Instruments

	2023 ($)	2022 ($)
Financial Assets	48,020	1,219,901
	48,020	**1,219,901**

The Group manages its interest rate risk by monitoring available interest rates while maintaining an overriding position of security whereby the majority of cash and cash equivalents are held in AA-rated bank accounts. The Group's exposure to interest rate risk and the effective weighted average interest rate by maturing periods is set out the table below.

	Weighted Average Effective Interest Rate	Total ($)	Weighted Average Effective Interest Rate	Total ($)
	2023	**2023**	**2022**	**2022**

Financial Assets				
Cash and cash equivalents	0.30%	48,020	0.60%	1,219,901

(c) Capital Management

When managing capital, the Board's objective is to ensure the Group continues as a going concern as well as to maintain optimal returns to Shareholders and benefits for other Stakeholders. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available to the Group.

The Group had no formal financing and gearing policy or criteria during the year having regard to the early status of its development and low level of activity. There were no changes in the Group's approach to capital management during the year. The Group is not subject to any externally imposed capital requirements.

7. CASH AND CASH EQUIVALENTS

	2023 ($)	2022 ($)
Cash at bank	48,020	1,219,901
	48,020	**1,219,901**

(a) Restricted cash

The Company has no restricted cash at 30 June 2023 (30 June 2022: no restricted cash).

8. TRADE AND OTHER RECEIVABLES

	2023 ($)	2022 ($)
Accounts Receivable	7,559	20,889
Net GST Receivable	9,846	19,566
R&D offset receivable	-	189,970
	17,405	**230,425**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

At 30 June 2022 the Research and Development (R&D) offset receivable was the amount expected to be received from the Australian Taxation Office relating to eligible R&D costs incurred. This amount was received by the Company in September 2022.

The amount recognised as R&D Offset receivable is regarded as an estimate as the amount is not confirmed until it is received by the Company from the ATO, following submission of the Company's tax return. The Company uses external professional advisers to calculate the amount of the R&D Offset receivable and for advice and support on the preparation of the required documentation for submission to AusIndustry.

NOTES TO THE FINANCIAL STATEMENTS

Fair Value and Credit Risk

Due to the short-term nature of the trade receivables, the carrying amount is assumed to approximate their fair value. The exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above. Refer to Note 6 for more information on the Risk Management Policy of the Group.

9. INVENTORIES

The inventory of the Company comprises cameras and cameras and related accessories.

Inventories recognised as an expense during the year ended 30 June 2023 amounted to $4,996 (2022: $13,759). These were included in cost of sales and providing services.

Write-downs of inventories to net realisable value amounted to $23,253 (2022: nil). This was recognised as an expense during the year ended 30 June 2023 and included in impairment expense in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

A reconciliation of the Inventory on hand is as follows:

	2023 ($)	2022 ($)
Cameras and related accessories		
Gross	24,064	42,029
Inventory Provision	(7,035)	(4,937)
Carrying Amount	**17,029**	**37,092**

Subsequent to the end of the financial year, consistent the discontinuation of provision of the Pirsee service, as described at note 2 above, management have determined that the above cameras are no longer inventory, as they will no longer be sold in the ordinary course of business, and going forward will be classified as assets held for sale.

At the end of the financial year, the cameras and accessories have been valued at fair value less costs to sell, consistent with the relevant accounting policy described above at note 1 (d). Accordingly, subsequently to 30 June 2023 it is not necessary for a Gain or Loss to be recognised, upon the re-classification of the cameras and accessories.

10. OTHER ASSETS AND ASSETS CLASSIFIED AS HELD FOR SALE, AND PROPERTY PLANT AND EQUIPMENT

At 30 June 2022, Other Assets included capitalised data migration costs ($11,911), as described above at note 3.

Assets classified as Held for Sale at 30 June 2023 are items which have been transferred from Property. Plant and Equipment ($10,344).

Property Plant and Equipment

	Computers / Electronic equipment	Motor Vehicles	Total
Year ended 30 June 2022			

Opening net book amount	**4,116**	**-**	**4,116**
Additions	14,410	-	14,410
Depreciation charge	(5,570)	-	(5,570)
Closing net book amount	**-**	**-**	**-**
At 30 June 2022			
Cost	75,595	-	75,595
Accumulated depreciation	(62,638)	-	(62,638)
Closing Net book amount	**12,957**	**-**	**12,957**
Year ended 30 June 2023			
Opening net book amount	**12,957**	**-**	**12,957**
Additions	23,373	30,584	53,957
Assets classified as held for sale	(10,344)	-	(10,344)
Disposals	-	(27,273)	(27,273)
Depreciation charge	(13,240)	(2,241)	(15,481)
Loss on disposal of motor vehicle	-	(1,070)	(1,070)
Impairment Expense	(12,746)	-	(12,746)
Closing net book value	-	-	-

Total payments to acquire Property, Plant and equipment in the year amounted to $57,934, including an addition of $3,977 incurred in the year to 30 June 2022 and settled in the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

11. INTANGIBLE ASSETS

	2023 ($)	2022 ($)
Goodwill	1,066,201	1,066,201
	1,066,201	**1,066,201**

Reconciliation of Goodwill		
Beginning of reporting year	1,066,201	1,066,201
Impairment recognised	(1,066,201)	-
End of reporting year	**-**	**1,066,201**

Accumulated impairment losses		
Beginning of reporting year	(4,681,722)	(4,681,722)
Impairment recognised	(1,066,201)	-
End of reporting year	**(5,747,923)**	**(4,681,722)**
Net balance at end of reporting year	**-**	**1,066,201**

The Goodwill of the Group arose upon the acquisition of AssetOwl Technologies Pty Ltd which occurred in December 2016.

At 30 June 2023, the value of Goodwill asset has been impaired to nil. As described above at note 2, the Company has discontinued providing the Pirsee service to its small customer base, whilst the Company is exploring alternative ways to re-enter the market as a more sustainable business with its software platform that it maintains, retaining of the Goodwill asset on the balance sheet can no longer be supported.

12. TRADE AND OTHER PAYABLES

	2023 ($)	2022 ($)
Trade creditors and accruals	217,259	92,335
Trade creditors under supplier finance arrangement	27,638(1)	-
Total Contractual Liabilities	**244,897**	**92,335**
Payroll tax and other statutory liabilities	101,336	101,367
Statutory liabilities under a finance arrangement	87,478(2)	-
Total Statutory liabilities	**188,814**	**101,367**
Grand Total	**433,711**	**193,702**

NOTES TO THE FINANCIAL STATEMENTS

(1) Trade creditors under supplier finance arrangement relates to the Company's Directors and Officers Insurance Policy for the period 30 March 2023 to 30 March 2024. Under the funding agreement, the Company made an initial payment of $5,111.54, with a further nine payments of $5,051.54 payable from 30 April 2023 to 30 December 2023. This funding arrangement has been provided to the Company by Hunter Premium funding, the interest rate applicable to the arrangement is 8.17%, with the total of cost of the facility, including interest, being $3,875.39.

The gross amount of payments due from 30 July 2023 to 30 December 2023 is $30,309, interest charge which has not yet been incurred in relation to this amount is $2,671, for a net liability at 30 June 2023 of $27,638. No security has been provided to the financier in relation to this arrangement.

(2) Statutory liabilities under a finance arrangement represents the Business Activity Statement liability of AssetOwl Technologies Pty Ltd for the months of March 2023, April 2023 and May 2023. This payment plan is with the Australian Taxation Office. This payment plan was created on 22 June 2023, at the inception of the plan the total amount of payments required amounted to $96,599, including estimated General Interest charge (10.46%) of $9,121. The first payment under the plan was paid in in July 2023, accordingly, the carrying amount of the funding arrangement at 30 June 2023 was $84,478.

The plan in place at 30 June 2023 requires an initial payment of $4,374 on 3 July 2023, followed by twenty payments of $4,500 ($90,000) to 3 March 2025, and a final payment of $2,225 on 3 April 2025. No security has been provided to the financier in relation to this arrangement.

13. EMPLOYEE BENEFITS PAYABLE

	2023 ($)	2022 ($)
Current Liabilities		
Accrued wages and salaries	39,639	19,098
Leave obligations	60,317	131,770
Notice period liability	105,713	-
	205,669	**150,868**

As described at notes 2 and 4 above, the Company has discontinued the provision of its Pirsee product. Consistent with this action, commencing in June 2023, the Company took measures to reduce its number of employees, the above 'notice period liability' is the total amount payable by the Company to its employees, who had been provided notice of redundancy at 30 June 2023, or who the Company advised that they may be made redundant in the near term.

14. BORROWINGS

	30 June 2023 ($)	30 June 2022 ($)
Loans pursuant to loan agreements	$437,844	-
Other Loan (Tribis Pty Ltd)	$156,000	-
Other Loan (Simon Trevisan)	$25,000	-
	$618,844	**-**

On 9 February 2023 the Company entered into unsecured loans with four entities, the loans have an expiry date of 30 September 2023 or a later date agreed by the lender in their absolute discretion. The terms of loans are identical except for with respect to the loan principal amount and the facility fee.

The loans, and the amount of the facility fee are as disclosed in the table below. The loans with the first three lenders listed below are with related parties of the Company. The Company's Chairman, Mr Simon Trevisan is the Managing Director and controlling shareholder of Tribis Pty Ltd. Company Non-Executive Director, Mr Adrian Siah is a director of CEA SMSF Pty Ltd and GEM Syndication Pty Ltd.

	Principal	Facility Fee	Interest accrued (18%)	Balance at 30 June 2023
Loans from related parties				
Tribis Pty Ltd	$180,000	$10,000	$13,817	$203,817
CEA SMSF Pty Ltd	$42,000	$4,200	$3,017	$49,217
GEM Syndication Pty Ltd	$58,000	$5,800	$4,022	$67,822
Subtotal	**$280,000**	**$20,000**	**$20,856**	**$320,856**
Loan from an unrelated party				
Confiant Pty Ltd	$100,000	$10,000	$6,988	$116,988
Subtotal	**$100,000**	**$10,000**	**$6,988**	**$116,988**
Grand Total	**$380,000**	**$30,000**	**$27,844**	**$437,844**

Total finance costs disclosed on the Consolidated Statement of Profit or Loss and Other Comprehensive Income is $61,029, this amount includes the facility fee and interest above, $57,844 and other interest charges in respect of other funding arrangements that the company has place for the settlement of liabilities, as disclosed at note 12.

The terms of the loans are as disclosed below:

Clause	Description
Facility Limit / Principal (excluding facility fee and interest):	Refer to table above
Facility fee:	Refer to table above
Effective date:	6 February 2023
Interest:	18% p.a. accruing daily on the outstanding balance of the Loan and capitalised fees
Capitalisation of Loan Costs:	Provided there is no default, all fees and interest payable in relation to the Loan accrue and capitalise from due dates.
Manner of repayment of Loan:	The loan including all capitalised amounts will be settled at the lenders election from: a) cash from a capital raising excluding the Minimum Capital Raising; b) subject to any necessary ASX or shareholder approvals, shares in AssetOwl at the lowest capital raising price for a capital raising undertaken by AssetOwl undertaken between the Effective Date and the date of repayment. c) any combination at the lenders nomination of these alternatives in respect of b) above, the date of repayment is the date that the Company settles the loan with the counterparty, as at the date of this financial report, the loans have not yet been repaid and the date of repayment is known, it is anticipated that this date within 5 business days of the Company's Annual General Meeting in November 2023.
Default events:	Each of the following is a "Default Event": a) AssetOwl fails to complete a $375,000 capital raising by 31 March 2023 ("Minimum Capital Raising") or a later date agreed by the lender; and b) AssetOwl is involuntarily suspended from the ASX or deregistered from listing on the ASX or no longer meets the requirements to maintain a listing on the ASX;

Clause	Description
	c) If AssetOwl or any subsidiary has an insolvency event.

These loans originally had an expiry date of 31 May 2023, this date was subsequently extended to 30 September 2023. Subsequent to end of the year, each of the four lenders provided the Company a letter advising that they will request the company settle the loans in full through the issue of shares.

Each of the above loans are hybrid contracts as they contain an embedded derivative. As disclosed above at 'Manner of repayment of loan', the manner in which the loans may be settled is at the election of each individual lender. The embedded derivative, which is a financial liability, is the ability for the lender to require the loan to be settled, in part or in its entirety through shares in the Company ('conversion feature').

The value of the derivative is subject to change in response the value of the Company's ordinary shares. Each loan contains the host liability and the conversion feature, which are separate financial liabilities. The host contract is classified as a financial liability at amortised cost and the conversion feature is classified as a financial liability at fair value through profit or loss. At the inception of each loan, the fair value of the conversion feature was nil.

Valuation of derivative at 30 June 2023

The sole input to value the conversion feature is price of the Company's quoted Ordinary Shares at reporting date, which at 30 June 2023 was $0.1 cents. This is equal to the price at which the company raised $375,000 ('Minimum Capital Raising') during the year, and the share price at which the company would be required to settle the loan through the issue of shares. Accordingly, notwithstanding the potential influence of the unobservable inputs described below, at 30 June 2023, the value to the lender of settling the loan in cash or shares, or a combination thereof, would have been on par

At 30 June 2023, the fair value of the conversion feature of each loan is also considered to be nil. As the cost to the company to settle the liability in cash or in shares would have been equal, being $437,844 cash, or the equivalent value in shares, at $0.1 cents, being 437,843,844 Ordinary Shares. If the share price had exceed $0.1 cent at 30 June 2023, the number of shares would still have been 437,843,844 Ordinary Shares, however the value provided to the lender would have exceed $437,844

The fair values of the derivatives are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs. Unobservable inputs include:

- The increase in the counterparties ownership interest in the Company which would result through the issue of shares.
- The potential for a gain (or loss) which may accrue to, or be foregone by, the lender if settlement of the loan is through the issue of shares instead of payment of cash.
- The ability of the lender to liquidate their investment in the Company if settlement through shares was chosen.

In addition to the above loans, during the year:

- Tribis Pty Ltd extended a further unsecured loan to the Company, these funds were provided on an interest free basis. The funds provided under the second loan amounted to $228,000, with funds of $72,000 repaid to Tribis during the financial year. Accordingly, at 30 June 2023, debt outstanding pursuant to this loan was $156,000. Subsequent to the end of the financial year, Tribis has provided further funds of $235,863.

- The Company's Chairman, Simon Trevisan, provided funds of $25,000 as an unsecured loan, these funds were provided on an interest free basis.

Accordingly, during the financial year, total funds lent to the company amounted to $633,000, with $72,000 subsequently re-paid during the year.

15. CONTRIBUTED EQUITY

(a) Movements of share capital during the year

Date	Details	No of shares	Issue price ($)	$
	Balance as at 1 July 2021	**816,205,105**		**21,028,146**
03.02.2022	Share Placement[1]	108,577,196	0.003	325,731
31.03.2022	Entitlement Offer[2]	214,906,463	0.003	644,720
31.03.2022	Entitlement Offer (placement of shortfall)[2]	289,924,999	0.003	869,775
11.04.2022	Entitlement Offer (placement of shortfall)[2]	18,950,000	0.003	56,850
22.04.2022	Entitlement Offer (placement of shortfall)[2]	104,315,999	0.003	312,948
13.05.2022	Entitlement Offer (placement of shortfall)[2]	19,249,999	0.003	57,750
	Share Issue cost[3]	-	-	(122,838)
Closing Balance as at 30 June 2022		**1,572,129,761**		**23,173,081**
	Balance as at 1 July 2022	**1,572,129,761**		**23,173,082**
10.02.2023	Share Placement[4]	100,000,000	0.001	100,000
13.03.2023	Share Placement[4]	70,000,000	0.001	70,000
16.03.2023	Share Placement[4]	70,000,000	0.001	70,000
03.05.2023	Share Placement[5]	135,000,000	0.001	135,000
	Share Issue cost	-	-	(5,201)
Closing Balance as at 30 June 2023		**1,947,129,761**		**23,542,881**

1. On the 3rd of February 2022, the Company issued 108,577,196 ordinary shares to new and existing sophisticated and professional investors at $0.003 per share.
2. On 28 January 2022, the Company announced a 7-for-10 non-renounceable rights issue at a share price of $0.003 per share. Pursuant to the Entitlement Offer the company issued 214,906,463 Ordinary Shares to eligible shareholders. The Company then placed the shortfall of 432,440,997 ordinary shares over the period to 13 May 2022 to raise a total of $1,942,042 (before costs).
3. Share Issue costs is fees including management fees paid in cash to the Lead Manager of the Capital raising, Sequoia Corporate Finance Pty Ltd ('Sequoia') and fees paid to the ASX.
4. Between 10 February 2023 and 16 March 2023 the Company issued 240,000,000 Ordinary Shares to Trinitas Private Pty Ltd. The shares were issued at a price of $0.001 ($0.01 cents) per share.
5. On 3 May 2023 the Company issued 135,000,000 Ordinary Shares to an investor via a placement.

Ordinary Shares

The holder of ordinary shares is entitled to participate in dividends and the proceeds on winding up of the Parent Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Parent company does not have a limited amount of authorised capital.

16. SHARE BASED PAYMENTS

There are 58,375,000 options outstanding at 30 June 2023 (30 June 2022: 35,375,000). A total of 30,000,000 options were issued during the year (year to 30 June 2022: 8,500,000). A total of 7,000,000 options were forfeited during the year as their underlying vesting conditions were not achieved (year to 30 June 2022: 3,000,000). No Options were exercised during the year the year ended 30 June 2023 (year to 30 June 2022: Nil).

Issue of Share Options to employees

In December 2022 the Company agreed to issue a total of 30,000,000 Options over Ordinary Shares to three employees of the Company.

The Options were issued as means to incentivize the employees whilst still being able to maximise the Company's cash reserves.

The Options are valued based on the Company's share price on 30 November 2022, the date that shareholders approved the issue of the Options. The Options are valued using Black-Scholes Option Pricing methodology with inputs as provided in the table below.

Input	Input value
Underlying Share Price	$0.001
Exercise Price	$0.0022
Expected volatility	100%
Expiry Date / Years	31 December 2025 / 3 years
Expected Dividends	Nil
Risk free rate	3.19%
Total Value of Options	
Per employee - 10,000,000	$4,835
Three employees – 30,000,000	$14,506

All of these Options vested upon grant, and accordingly, an amount of $14,505 is recognised in the share-based payments reserve.

Share based payments awarded prior financial years which affect the current financial year.

NOTES TO THE FINANCIAL STATEMENTS

Options issued to a service provider

On 14 July 2021 the Company issued a total of 8,500,000 Options over Ordinary Shares to Mr Nathan Want – Licensee and Director of Attree Real Estate.

The Options were issued to Attree Pty Ltd in five tranches. The vesting conditions attached to subsequent tranches relate to achievement of pre-determined real estate agency customer and underlying 'properties under management' milestones over the period to 31 March 2024.

At the end of the reporting period, 4,000,000 Options are vested and exercisable (Tranche 1 and Tranche 2), however the vesting condition milestones pertaining to the Options in tranches Three and Four have not been met, and accordingly the Options in these tranches have been forfeited during the year. Consistent with disclosure at note 2 above, the Options in tranche five will not vest.

The weighted average remaining contractual life of Options outstanding at the end of the reporting period is: 1.78 years (30 June 2022: 2.86 years). The exercise price of the Options outstanding at the end of the year ranges from $0.01 to $0.024 (30 June 2022: $0.01 to $0.024).

In relation to those tranche 2 options which vested during the year, an expense amount was recognised in the share-based payments reserve.

In relation to the Options in tranche 5, at the commencement of the reporting period management anticipated that it was more than likely that these Options would vest, consistent with above disclosure, these Options will not vest, and accordingly the expense recognised in the reserve to 30 June 2022 has now been removed.

Grant Date	Tranche	Number at 1 July 2022	Forfeited	Number at 30 June 2023
14 July 2021	One	2,500,000	-	2,500,000
	Two	1,500,000	-	1,500,000
	Three	1,500,000	(1,500,000)	-
	Four	1,500,000	(1,500,000)	-
	Five	1,500,000		1,500,000
Total	-	**8,500,000**	**3,000,000**	**5,500,000**
Weighted Average Exercise Price		**$0.017**	**$0.017**	**$0.017**

Options issued to Company officers and management

In the 2021 financial year, the Company issued a total of 24,375,000 Share Options to directors and management of the Company at the time. These Options vested in three tranches over the period to 29 January 2023, accordingly all of these Options have now vested.

During the year, 1,500,000 of these Options were forfeited, therefore there are 22,875,000 Options outstanding at 30 June 2023, all of these Options have vested and are exercisable (30 June 2022: 18,812,500 Options vested and exercisable). No Options were exercised or expired during the year.

The weighted average remaining contractual life of Options outstanding at the end of the reporting period is: 1.10 years (30 June 2022: 2.19 years). The exercise price of the Options outstanding at the end of the year ranges from $0.01 to $0.024 (30 June 2022: $0.01 to $0.024).

The financial effect in the 2023 year, and to date, of these Options is disclosed in the table on page 64 below.

Options issued to the Company's CEO

On 20 May 2021 the Company issued a total of 5,500,000 Options over Ordinary Shares to then Chief Executive Officer, Mr Geoff Goldsmith.

Share Options issued represent the Equity based short term incentives (STI's) awarded to Mr Goldsmith under his Executive Services Agreement entered into with the Company on 20 May 2021.

Share Options were issued to Mr Goldsmith in five tranches, with vesting conditions related to the achievement of time constrained targets tied directly to the roll of AssetOwl's photo-centric real estate management platform, Pirsee.

To 30 June 2022, the Options in the first four tranches had been forfeited as the vesting conditions were not met. In the year to 30 June 2023, the Options in the fifth tranche have been forfeited.

		Share based payments reserve		
	Total value	1 July 2022	Expense in current period	30 June 2023
Key Management Personnel				
Directors				
Tranche one	$30,244	$30,244	-	$30,244
Tranche two	$15,219	$15,219	-	$15,219
Tranche three	$10,989	$11,977	($988)	$10,989
Total	**$56,452**	**$57,440**	**($988)**	**$56,452**
Other Key Management Personnel (CEO)				
Tranche five	$11,226	-	-	-
Total	**$11,226**	**-**	**-**	**-**
Directors and CEO Total	**$67,678**	**$57,440**	**($988)**	**$56,452**
Other Recipients				
Company Secretary and Management Consultant				
Tranche one	$9,828	$9,828	-	$9,828
Tranche two	$1,712	$1,712	-	$1,712
Tranche three	$1,766	$1,251	$515	$1,766
Employees				
Sole tranche	$14,506	-	$14,506	$14,506
Attree Real Estate				
Tranche one	$10,228	$10,228	-	$10,228
Tranche two	$5,195	$4,787	$408	$5,195
Tranche three	$5,194	-	-	-
Tranche four	$5,397	-	-	-
Tranche five	$5,397	$1,702	($1,702)	-
Total	**$59,223**	**$29,508**	**$13,727**	**$43,235**
Grand Total	**$126,901**	**$86,948**	**$12,739**	**$99,687**

Total expenses arising from share-based payment transactions recognised during the year amounted to $12,739 (2022: $31,007).

17. ACCUMULATED LOSSES

	2023 ($)	2022 ($)
Accumulated (Loss) at the beginning of the year	**(21,026,113)**	**(18,745,232)**
Net (Loss) attributable to Shareholders	(3,781,881)	(2,280,881)
Accumulated (Loss) at end of the year	**(24,807,994)**	**(21,026,113)**

18. CASH FLOW INFORMATION

Reconciliation of cash flow from operating activities with the loss from continuing operations after income tax:

	2023 ($)	2022 ($)
Net (Loss) after Income Tax	**(3,781,881)**	**(2,280,881)**
Depreciation and Amortisation	15,482	5,570
Impairment of Goodwill	1,066,201	-
Impairment of Property, Plant and Equipment	12,746	-
Loss on disposal of Property, Plant and Equipment	1,070	
Share Based Payments Expense	12,739	31,007
Accrued interest and fees on convertible notes	57,844	-
CHANGES IN ASSETS & LIABILITIES FROM OPERATING ACTIVITIES		
(Increase)/Decrease in trade and other receivables	213,020	234,171
(Increase)/Decrease in inventories	20,063	(21,355)
(Increase)/Decrease in prepayments and other assets	11,911	15,857
Increase/(Decrease) in trade and other payables	243,985	54,938
Increase/(Decrease) in employee benefits payable	54,801	31,380
Cash flow (used in) Operating Activities	**(2,072,019)**	**(1,929,313)**

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended 30 June 2023

	2023 ($)
Cash and cash equivalents	48,020
Borrowings	(618,844)
Liabilities under supplier finance arrangement	(115,116)
Net debt	**(685,940)**

In relation to the year ended 30 June 2022, the Company had no debt at the commencement and conclusion of the year.

	Liabilities from financing activities			Cash	Total
	Borrowings	Supplier finance	Subtotal		
Net debt as at 30 June 2022	Nil	Nil	Nil	1,219,901	1,219,901
Financing cash flows	(561,000)	(115,116)	(676,116)	(1,171,881)	(1,847,997)
Liabilities under supplier finance arrangement	(57,844)	-	(57,844)	-	(57,844)
Net debt at 30 June 2023	**(618,844)**	**(115,116)**	**(733,960)**	**48,020**	**(685,940)**

19. COMMITMENTS

The Commitment expenditure at reporting date is as follows:

	2023 ($)	2022 ($)
Not later than one year	60,000	60,000
TOTAL	**60,000**	**60,000**

There are no commitments for periods beyond one year.

The nature of these commitments is disclosed below:

Administration Services Fees Commitment

The Group is party to an Administration Services Agreement with Tribis Pty Ltd to provide administration services to the Group on the terms and conditions set out in the agreement. These services include the engagement of Mr. Sean Meakin as Group Company Secretary.

The Group must pay a monthly fee to Tribis plus reimbursement for each month of the certain costs, expenses and liabilities incurred and/or paid by Tribis on behalf of the Group during the month. The fee is currently $10,000 plus GST per month, which is required to be paid in full by the Group on ordinary terms.

The agreement has no specified end date and could be cancelled by either party after the provision of 6 months' notice, as a result, the above commitments table includes 6 months of payments, being $60,000.

Simon Trevisan (Non-Executive Chairman of the Group) is the Managing Director and a substantial shareholder of Tribis.

20. LOSS PER SHARE

The calculation of basic loss per share for the financial year was based on the loss attributable to ordinary Shareholders of $3,781,881 (2022: loss of $2,280,881) and a weighted average number of ordinary shares outstanding during the year of 1,673,448,442 (2022: 1,015,406,055).

	2023 ($)	2022 ($)
Basic loss per share (cents per share)	(0.23)	(0.22)
(a) RECONCILIATION OF EARNINGS TO OPERATING LOSS		
Loss attributable to ordinary Shareholders		
Loss after tax	**(3,781,881)**	**(2,280,881)**
Loss used in the calculation of EPS	**(3,781,881)**	**(2,280,881)**

	2023 ($)	2022 ($)
(b) WEIGHTED AVERAGE NUMBER OF SHARES USED AS THE DENOMINATOR		
Weighted average number of ordinary shares (WANOS)		
Weighted average number of ordinary shares	**1,673,448,442**	**1,015,406,055**

Potential Ordinary Shares

The Group has loan facilities with four entities, the terms of the loans, which are described above at note 14, provide for the lenders to request settlement of the loans through: payment of cash; the issue of Ordinary Shares; or a combination thereof.

Whilst settlement of any part of the debt payable through the issue of shares is subject to necessary shareholder approval, the issue of shares may affect the weighted average number of shares outstanding, and consequentially impact the calculation of basic and diluted earnings per share.

21. REMUNERATION OF AUDITORS

During the year the following fees were paid or payable for services provided by the Auditor of the Group and its related parties.

	2023 ($)	2022 ($)
Auditors of the Group – BDO Audit (WA) Pty Ltd		
Audit and Review of Financial Statements		
Group	51,164	47,321
Total audit and review of financial statements	**51,164**	**47,321**
Non-audit services – BDO Corporate Tax (WA) Pty Ltd		
R&D Incentive Services	-	28,750
Total non-audit services	**-**	**28,750**
Total services provided by BDO	**51,164**	**76,071**

22. RELATED PARTY DISCLOSURES

Key Management Personnel

Directors and Executives compensation comprises:

	2023 ($)	2022 ($)
Short-term benefits	321,811	467,876
Post-employment benefits	24,882	37,694
Share-based payments	(988)	12,407
TOTAL	**345,705**	**517,977**

Transactions with other related parties

Transactions between related parties are on normal commercial terms and conditions no more favorable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties for the year ended 30 June 2023.

Transaction	Transactions value for the year ended 30 June		Balance outstanding as at 30 June	
	2023 ($)	**2022 ($)**	**2023 ($)**	**2022 ($)**
Purchases of services from entities controlled by key management personnel	121,500	153,750	70,000	-
Provision of services to an entity controlled by a member of key management personnel	600	600	55	55
Sale of Electronic equipment to an entity controlled by a member of key management personnel	-	630	-	-

Purchases of services from entities controlled by key management personnel includes the provision of administration services by Tribis Pty Ltd, of which Company Chairman is Managing Director, a fee of $10,000 plus GST charged for these services. With effect from 1 December 2022, Tribis agreed to accrue the monthly fee payable, accordingly, at 30 June 2023, the debt payable is $70,000.

Fees payable to Key Management Personnel

With effect from 1 December 2022, the directors of the Company have agreed to accrue their director fees. The directors will continue to accrue their fees until the company completes a necessary capital raising and when the Board considers it appropriate to resume paying directors. The fees payable to the Directors of the Company or their related parties is as follows:

Director	Total Value
Mr Simon Trevisan	$35,000
Mr Adrian Siah	$21,285
Mr Geoff Baldwin	$21,000
Ms Marene Ter	$9,000
Total	**$86,285**

In addition, at 30 June 2023 accrued wages of $17,307 was owed to the Company's then CEO, Mr Geoff Goldsmith, this is wages accrued over the three fortnights to 3 February 2023.

Loans from related parties

	2023 ($)
Loan from key management personnel	
Beginning of the year	-
Loans provided	25,000
End of Year	**25,000**

This loan is from the Company's Chairman, Mr Simon Trevisan.

	2023 ($)	
	(1)	(2)
Loans from other related parties		
Beginning of the year	-	
Loans provided	280,000	228,000
Loans repaid	-	(72,000)
Fees charged	20,000	-
Interest Charged	20,856	-
End of Year	**320,856**	**156,000**

(1) Loan details setout in this column pertain to loans provided to the Company pursuant to loan agreements, refer to note 14 above from page 65 for full terms of these loans and further disclosure on the parties who have provided loans.

(2) This is a loan from Tribis Pty Ltd, the loan is unsecured, no interest or fees are payable in respect of this loan.

23. PARENT ENTITY INFORMATION

The following details information related to the Parent Entity, AssetOwl Limited. The information presented here has been prepared using consistent accounting policies as presented in Note 1.

	2023 ($)	2022 ($)
Current assets	45,150	1,254,558
Non-current assets	-	1,066,201
Total Assets	**45,150**	**2,320,759**
Current liabilities	850,275	57,365
Non-Current liabilities	29,477	29,477
Total Liabilities	**879,752**	**86,842**
Net Assets/(Liabilities)	**(834,602)**	**2,233,917**
Contributed equity	23,542,881	23,173,082
(Accumulated losses)	(24,477,170)	(21,026,113)
Reserve	99,687	86,948

	2023 ($)	2022 ($)
Total Equity	**(834,602)**	**2,233,917**
(Loss) for the year	(3,451,057)	(2,280,881)
Total Comprehensive (loss) for the Year	**(3,451,057)**	**(2,280,881)**

There are no other separate commitments and contingencies for the parent entity as at 30 June 2023.

24. INTERESTS IN OTHER ENTITIES

Name of Entity	Place of business/ country of incorporation	Ownership Interest 2023 ($)	Ownership Interest 2022 ($)	Principal Activities
AssetOwl Technologies Pty Ltd	Australia	100%	100%	Technology and Software Development

25. MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Discontinuation of support for Pirsee Product

Subsequent to the end of the financial year, on 27 July 2023, the Company determined that supporting Pirsee in the existing format to its small customer base was uneconomic and provided notice to its customers of discontinuation of support. The Company is exploring alternative ways to re-enter the market as a more sustainable business with its software platform. As announced in the Company's quarterly report which was announced to the ASX on 31 July 2023, the inspection platform still holds substantial value and the Company is pursuing alternative options to re-enter the market.

The Consolidated Statement of Profit or Loss and Other Comprehensive Income does not reflect discontinued operations.

Cessation of Mr Geoff Goldsmith as CEO

As indicated in an announcement on 27 July 2023, on 25 August 2023 the Company's CEO, Mr Geoff Goldsmith finished employment with the Company.

No other matters or circumstances have arisen since 30 June 2023 that have significantly affected the Group's operations, results, or state of affairs, or may do so in future years.

26. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Due to their short-term nature, the carrying amounts of the current receivables and current payables are assumed to approximate their fair value.

DIRECTORS' DECLARATION

In the opinion of the Directors of AssetOwl Limited:

(a) the Financial Statements and Notes set out on pages 28 to 70 are 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 2023 and of their performance, for the financial year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001; and other mandatory professional reporting requirements.

(b) the Financial Report also complies with International Financial Reporting Standards as disclosed in Note 1.

(c) there are reasonable grounds to believe that AssetOwl Limited will be able to pay its debts as and when they become due and payable; and

(d) the Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* by the Financial Officer for the financial year ended 30 June 2023.

Signed in accordance with a resolution of the Board of Directors.

Simon Trevisan
Non-Executive Chairman
Dated at Perth, Western Australia, this 29th September 2023

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INDEPENDENT AUDITOR'S REPORT

To the members of AssetOwl Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of AssetOwl Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, 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 2023 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.

Material uncertainty related to going concern

We draw attention to Note 1(c) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

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. In addition to the matter described in the *Material uncertainty related to going concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment of goodwill

Key audit matter	*How the matter was addressed in our audit*
At 30 June 2023, AssetOwl Limited impaired goodwill of $1.066 million as disclosed in Note 11 to the financial report following Australian Accounting Standard AASB 136 Impairment of Assets. The assessment of the carrying value of goodwill is considered to be a key audit matter due to the significance of the item to the Group's consolidated statement of financial statements, and the assessment requires management to make significant judgements and estimates in determining the recoverable amount of goodwill.	In addressing this matter our procedures included, but were not limited to the following: • Evaluating management's impairment assessment of goodwill by challenging the key estimates and assumptions used by management; • Considering the impact at 30 June 2023 of the Group's decision to discontinue support for its Pirsee product announced to ASX on 27 July 2023; • Challenging the appropriateness of managements assessment of the fair value less cost of disposal value; Assessing the adequacy of the related disclosures in Note 1(s), 1(y) and 11 to the financial report.

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 2023, 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 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 11 to 22 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of AssetOwl Limited, for the year ended 30 June 2023, 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 (WA) Pty Ltd

BDO

Neil Smith

Director

Perth

29 September 2023

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 3 September 2023.

(a) Distribution of equity securities

Holding	Ordinary Shares Number of Holders
1 - 1,000	54
1,001 - 5,000	73
5,001 - 10,000	34
10,001 - 100,000	217
100,001 - and over	644
Total	**1,022**

There were 661 holders of less than a marketable parcel of ordinary shares.

(b) Top twenty shareholders

The names of the twenty largest holders of quoted equity securities are listed below:

Listed Fully Paid Ordinary Shares		Number of Shares	Percentage of Shares
1	TRINITAS PRIVATE PTY LTD	240,000,000	12.33%
2	MICHAEL SANTINI GOMEZ	135,000,000	6.93%
3	MR MATHEW JOHN SCARLETT	119,127,515	6.12%
4	TRIBIS PTY LTD	106,839,084	5.49%
5	MR KIM YEOH	72,407,739	3.72%
6	OGEE AUSTRALIA PTY LTD	49,952,131	2.57%
7	NCKH PTY LTD	49,952,125	2.57%
8	WINS ASSESS MANAGEMENT PTY LTD	45,000,000	2.31%
9	BNP PARIBAS NOMINEES PTY LTD	33,494,791	1.72%
10	MR PETER RONALD JOHNSON	32,124,544	1.65%
11	PARKRANGE NOMINEES PTY LTD	28,500,000	1.46%
12	MR JASON LINES AND MRS LORRAINE LINES	26,560,205	1.36%
13	MR NABEEL TAHIR	24,150,000	1.24%
14	CEA SMSF PTY LTD	22,666,661	1.16%
15	MR SCOTT ALEXANDER LIDDLE	21,836,763	1.12%
16	CITICORP NOMINEES PTY LIMITED	21,398,640	1.10%
17	ON THE CUSP INVESTMENTS PTY LTD	21,180,000	1.09%
18	MS LIANG GAO	17,000,000	0.87%
19	POWERAGE INVESTMENTS PTY LTD	15,125,000	0.78%
20	BENJ'S BALLOON CLOUD PTY LTD	14,597,857	0.75%
Total		**1,096,913,055**	**56.34%**

(c) Substantial Shareholders

Substantial holders of shares in the in the Parent company are set out below

	Number	Percentage
TRINITAS PRIVATE PTY LTD	240,000,000	12.33%
MICHAEL SANTINI GOMEZ	135,000,000	6.93%
MR MATHEW JOHN SCARLETT	119,127,515	6.12%
TRIBIS PTY LTD	107,251,584	5.51%

(d) Voting rights

(i) All ordinary shares (whether fully paid or not) carry one vote per share without restriction.

(ii) There are no voting rights attached to options on issue.

(e) Unlisted Options Unquoted equity securities

(i) There are 5,500,000 Unlisted Options on issue held by Attree Pty Ltd as trustee for the Attree Share Unit Trust.

(ii) 52,875,000 Share Options issued under an employee incentive scheme, held by nine holders. No holder holds more than 20% of the Share Options.