

FY24

Annual Report

Beonic helps organisations activate the power of their data to optimise the spaces where we live, work, shop, travel & play.



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Bob Alexander
Chairman and
Non-Executive Director

“With industry leading LiDAR technology, a dominant position in the airport vertical and a truly global presence, Beonic has a robust platform for significant growth.”

Letter from the Chairman

Dear Shareholders,

I am pleased to present Beonic’s annual report for the financial year ending 30 June 2024 (FY24). The growing demand from venues to better understand the utilisation of their physical space is driving an expanded customer base for Beonic. The strong demand for our solutions was reflected in Beonic securing our largest ever contract, during FY24 via a partnership with Next50, for Abu Dhabi International Airport’s Terminal A in the United Arab Emirates. With industry leading LiDAR technology, a dominant position in the airport vertical and a truly global presence, Beonic has a robust platform for significant growth.

Defining our Strategic Objectives

During the year we announced a Transformation Plan to capitalise on macro tailwinds that exist in our core verticals to drive concentrated growth. Our initiatives include a refined product strategy to focus on large airports and retail property verticals, an increased utilisation of our partner-led distribution model, a continued focus to drive cost-out initiatives and the redeployment of resources to ensure a pathway to cash flow breakeven. The Transformation Plan will initially focus on ensuring recurring revenues exceed Beonic’s cost base with a long-term focus to capture opportunities to drive profitability and shareholder value.



Delivering Capital Flexibility

To provide the capital to accelerate our plans, we transformed our capital structure during FY24 via a two-tranche, \$5m placement and \$0.5m Share Purchase Plan (SPP) announced in June 2024. This was approved by shareholders at an Extraordinary General Meeting (EGM) held on the 23 August 2024. The funds raised, combined with the previously secured debt facilities from Blue Venshures SPV, deliver Beonic the capital flexibility to execute on our strategic initiatives and drive the Company towards a self-sustaining cash flow position. Access to capital has historically limited Beonic's ability to execute on our strategy and these funds provide much needed flexibility for our team to execute their goals. I would like to thank existing shareholders for their support of the placement and welcome the new shareholders to our register.

Leadership Changes

As Beonic continues to grow our global footprint, we need to ensure that our leadership has the right skill set, diversity of experience and corporate governance capabilities to successfully execute our strategy.

During the year we announced the appointment of Billy Tucker as Chief Executive Officer and Executive Director. Billy is an experienced leader and transformation specialist with a career spanning over 20 years across the technology, startup, private and listed company sectors.

We appointed Michael Pearce as Chief Financial Officer. Michael is a seasoned financial executive with over 17 years of global experience across fast growing global tech companies which will be invaluable to Beonic as we look to implement our recently announced transformation strategies aimed at delivering a pathway to cash-flow break even.

Post the end of the year, Michael McConnell was appointed as independent non-executive director of the Company. Michael brings a wealth of experience across a range of sectors and brings a unique skill set to the Board, complementing the background of our existing directors. Michael's appointment reflects our ongoing commitment to maintaining the highest standards of Governance as we continue to grow the company.

I would also like to take the opportunity to thank Mark Devadason for his contribution as a Director. Mark intends to step down from the Beonic Board at the 2024 AGM. Mark has provided exceptional counsel and insights over his tenure and we wish him well in his future endeavours.

I believe we now have the right leadership team, with a diverse skill set and experience, to ensure that Beonic captures the opportunities for growth and ultimately delivers material returns for our shareholders.

Rebrand as Beonic

The Company completed the rebranding of its registered trading name from Skyfii Limited (ASX:SKF) to Beonic Limited (ASX:BEO) during the period after shareholder approval at the Annual General Meeting held on 14 November 2023. The change reflects the Company's transition from a WiFi analytics provider to a data analytics company powered by enhanced Artificial Intelligence and machine learning capabilities.

Outlook

With a vast, existing customer base numbering more than 11,000 venues across 35 countries, a strong growth pipeline, improved balance sheet and financial position and industry leading technology, Beonic is moving towards a position of delivering meaningful and sustainable cash flow generation.

We look forward to executing our focused strategy and achieving our growth ambitions while delivering value to our shareholders, customers, and partners.

I would like to take this opportunity to thank all of the staff at Beonic for your dedication and hard work during FY24 and my fellow board members. Finally, I would like to thank our shareholders for your continued support, and I look forward to updating you on the progress of our business throughout the coming year.

Yours faithfully,



Bob Alexander
Chairman, Non-Executive Director

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Billy Tucker
CEO and Executive Director

“With a quality solution, a fantastic team and a huge global opportunity, I believe we are in a position to start to generate material returns for our shareholders.”

CEO's Year of Review

Dear Shareholders

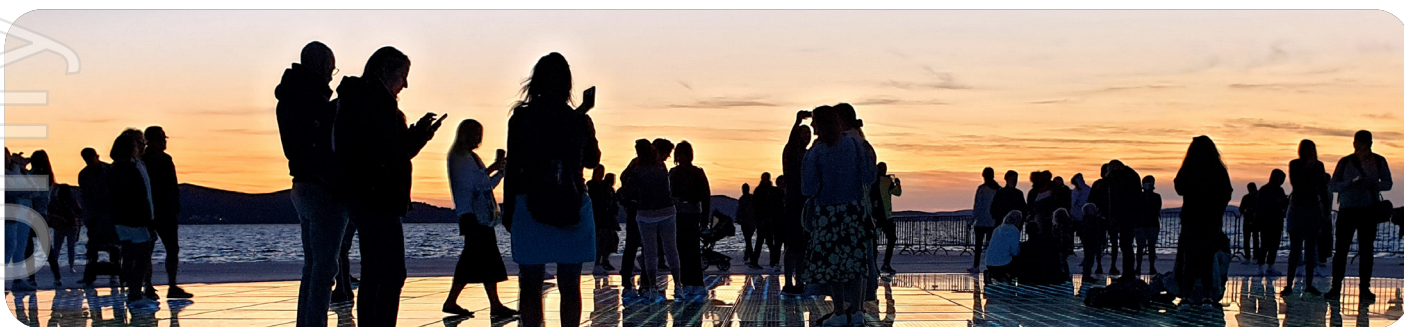
It is a privilege to write to you for the first time as CEO and Executive Director of Beonic. Since commencing with Beonic in November 2023, I have spent a considerable amount of time engaging with my colleagues and customers across our global footprint and I have been truly energised by the quality of our team and the opportunities that exist for our business. Beonic has an excellent product-market fit with a strong global awareness of our solutions in our target verticals. We have an incredible installed base, with a range of blue-chip clients which provides significant opportunities for cross-sell and up-sell. Furthermore, the market potential for our solutions is significant and our proven capabilities across the global retail and airport verticals pave the way for considerable growth. Having said that, there is much to do as a business to improve our financial position. We need to reduce our cost base, ensure that we have headcount allocated to the right roles and ensure that we are focussed on opportunities that create value, rather than focusing on expensive sources of growth. With a quality solution, a fantastic team and a huge global opportunity, I believe we are in a position to start to generate material returns for our shareholders.

Refined strategic focus

To capitalise on the macro tailwinds we see positively impacting our business, we launched a strategic refresh in the second half of FY24 to drive concentrated growth in our core verticals of airports and retail property. Along with a shift in our approach to driving profitable growth, we will continue to pursue cost-out initiatives and redeploy core talent to lower cost geographies to ensure that we can demonstrate a clearer pathway to cash flow break-even.

We have clearly articulated the horizons of our strategy transformation so shareholders can track our execution. As we exit FY24, we do so with a clear pathway to breakeven, and as we enter FY25, we will re-base our business for growth with initiatives such as:

- invest in development and engineering to replace 3rd party software including 3rd party AI and ensure our solutions remain the industry leader
- capture land and expand opportunities in the airport vertical by expanding our presence at key airports such as JFK and London Heathrow
- standardise products and solutions to rapidly grow in higher volume but lower-value venues such as Hotels, Quick Service Restaurants (QSR) and Stadiums
- formalise our channel partner program to enhance our distribution networks
- deliver over \$3m in savings versus prior year costs



The above initiatives, when executed, will transition Beonic into profitability. By the end of FY26 we aim to deliver around 80% of our total revenue on a recurring basis (ARR), with the ambition for our ARR to exceed our total operating expenses and deliver a self-sustaining growth trajectory. We are aiming to grow our airport footprint by over 25% and see partner led revenues double from approximately 30% of 2024 revenues to over 60% by 2026. Importantly, with a refined and targeted approach to growth, we anticipate being able to build on our already strong sales pipeline.

If we are able to deliver on those core metrics, I am confident that we will be in a position to not only generate sustainable cash flow, but deliver considerable value to our shareholders.

Capital flexibility to execute on our strategies

To provide the capital to execute against our refined strategic focus, Beonic transformed our capital structure during the year. We secured a loan facility of USD \$3.1 million from Blue Venshures. The facility replaces the \$1.8 million loan Beonic previously had with Export Finance Australia and importantly will have no financial covenants and as such provides Beonic with improved capital flexibility.

To provide further capital strength, Beonic announced a two-tranche \$5m placement. The funds raised from the placement combined with the previously secured debt facilities deliver Beonic the capital flexibility to execute on our strategic initiatives and drive the Company towards a self-sustaining cash flow position.

With \$2.7m in cash at 30 June, and the potential for a further \$4.1m of cash via the second tranche of the placement and share purchase plan, Beonic is in a robust financial position to execute against our strategic objectives.

Strong customer wins and expanding deal pipeline

Our ability to grow is based upon a strong core product. We currently service over 11,000 venues across the globe including some of the world's largest airports, shopping malls and consumer brands. Our ability to deliver a best-in-class solution and tailor our products to meet our customers' specific focus has seen Beonic generate a truly blue-chip customer base.

Currently, Beonic services a number of the world's leading airports including JFK, London Heathrow, Gatwick and many others. In many of these airports we operate in only a proportion of their terminals, presenting a significant opportunity for cross sell and growth.

During the year, we secured the largest contract in Beonic's history via a partnership with Next50, for Abu Dhabi International Airport's Terminal A in the United Arab Emirates. The contract, with a total value in excess of \$5 million will see the airport benefit from Beonic's leading passenger flow and queue management solutions.

The company further strengthened its position in the aviation industry, winning new contracts at Athens Airport and four airports in Brazil managed by Zurich. Beonic also extended its partnership with London City International Airport and deployed solutions at Wellington Airport in New Zealand.

Beyond aviation, Beonic made significant inroads into Smart City initiatives and cultural institutions. The company renewed its contract with Sydney's Waverley Council for Smart City technologies and secured a new agreement with the San Francisco Museum of Modern Art (SFMOMA) to enhance visitor experiences.

In the sports and entertainment sector, Beonic signed a 5-year contract with Ford Field Stadium, home of the Detroit Lions, to deploy its innovative Crowd Analytics solution. The company also expanded its presence in healthcare, securing a 3-year contract with Hapvida Intermedica in Brazil, covering 26 hospitals and over 150 clinics.

We have started FY25 with positive momentum and are seeing a welcome uptick in the number of RFP's we are receiving. The momentum we are seeing as consumer activity levels continue to normalise provides confidence in our growth expectations for FY25.

Outlook

Our operating model transformation and cost-saving initiatives will drive scalability and earnings growth. In addition, our pipeline of venues across our key verticals remains robust ensuring long-term sustainable and profitable growth for Beonic in FY25.

Looking ahead, Beonic priorities for FY25 include:

- achieve cash flow break even through growth in ARR and continued costs management
- rebuild a best in class Sales and Marketing function in H1
- augment Beonic's software development capability to capitalise on opportunities within our existing customer base
- build upon existing base of channel partners to reach 60% of all revenues via partners

We look forward to executing our focused strategy and achieving our growth ambitions while delivering value to our shareholders, customers, and partners.

In closing, I want to extend my sincere appreciation to our team for their hard work and dedication. I would also like to thank our Board of Directors for all their efforts in FY24. I am also grateful to our new and existing shareholders for their continued support.

Review of Operations

Beonic is the leading provider of IoT solutions to Airports and Retail globally. Our subscription software ingests data from a diverse range of technologies including WiFi, Camera, People counting, LiDAR, CCTV and IoT devices. We combine these datasets with contextual data such as weather, retail sales and sociodemographic to improve operational performance for retailers, airports, stadiums, smart cities and other public and commercial venues.

Beonic further augments insights generated by the platform with its data & marketing services offering: A team of data science and digital marketing consultants who help our clients harness more value from their data.

Our Mission

Beonic helps organisations activate the power of their data through technology & human ingenuity, to find new ways to optimise the spaces where we live, work, shop, travel & play.

Our Vision

To be the world's most trusted partner for responsibly using technology and data to positively measure, manage and influence relationships between people, and the places they visit.

Beonic's cloud hosted data platform unifies data points on one proprietary platform to give customers the insights needed to solve the complex challenges of their present and future. Venues around the world benefit from the data and insights we collect, analyse and action to help the performance of our customers' operations.

Connect

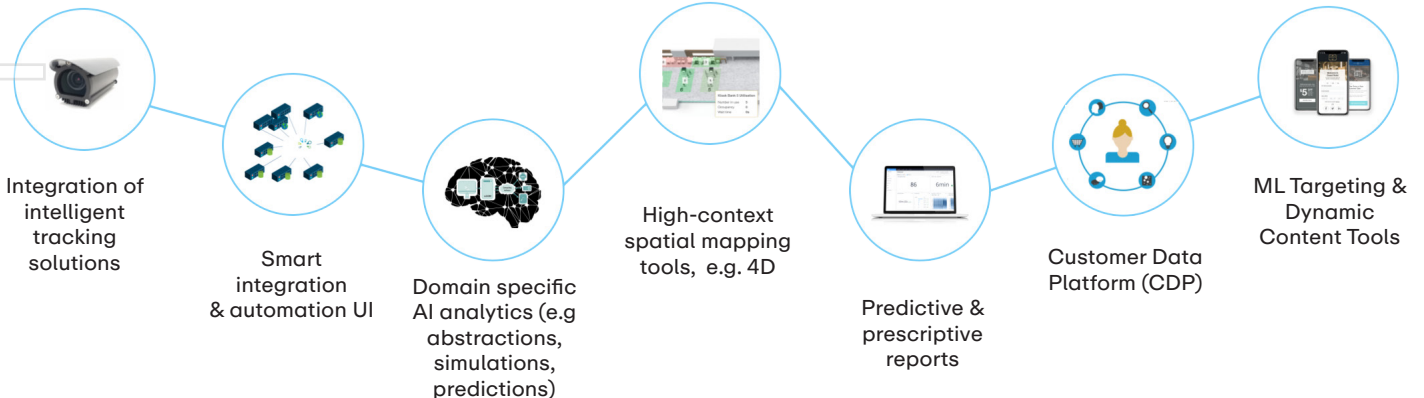
Integration & Automation Marketplace

Insight

AI-driven Analytics and Processing Engine

Engage

Intelligent Customer Data Platform

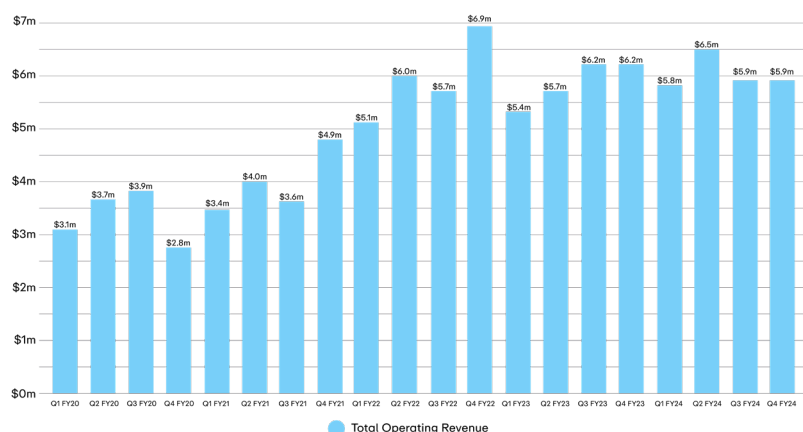
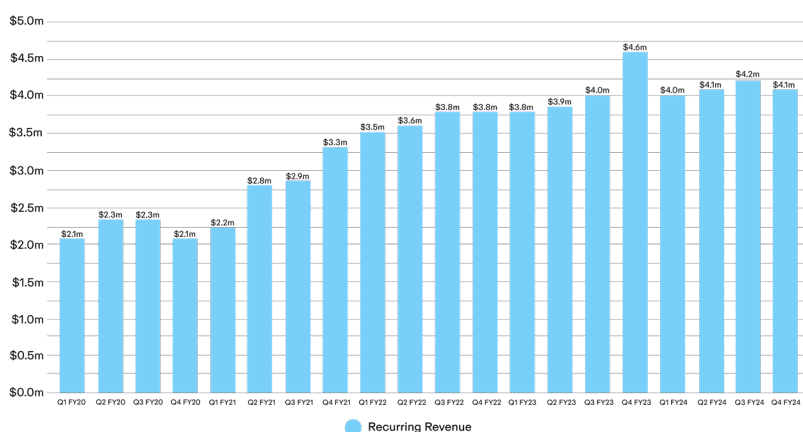


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Overview of Financial Performance

Total Revenues for FY24 of \$24.1m, an increase of 2.5% vs pcp ⁽¹⁾ (FY23), Recurring Revenues for FY24 of \$16.5m, an increase of 4% vs pcp (FY23) and the Company exited FY24 with an ARR of \$16.8m.



Total operating expenses excluding depreciation, amortisation, non-cash share-based payments and finance costs declined by 1.0% vs pcp to \$25.9m as the company continued to focus on cost saving initiatives. Our offshoring strategy to unlock access to a larger talent pool including the opening of an engineering and operations centre in Portugal and the Philippines continue to progress. These initiatives will set the company up for long term, sustainable and cost-effective scale moving forward and are expected to generate more than a \$3.0m reduction in annualised operating expenditure by end Q1 of FY25.

The Group reported an operating EBITDA loss of \$0.86m (Earnings Before Interest, Tax, Depreciation, & Amortisation and adjusted to be inclusive of any R&D tax incentive grants accrued or received, and exclusive of share, option-based payments and one-off costs of \$0.96m associated with restructuring, CEO transition and rebranding) (FY23 EBITDA loss: \$1.6m) and net loss after tax (Earnings After Interest, Tax, Depreciation & Amortisation and other Non-Cash transactions) of \$7.4m (FY23: \$10.5m).

FY24 cash outflow was \$1.1m (cash outflows for FY23 of \$1.3m). This included net cash outflows from operating activities of \$2.7m and net cash outflows from investing activities of \$2.7m, which included cash payments for capitalised costs from developing new software of \$2.6m. These cash outflows were partially offset by net cash inflows from financing activities of \$4.3m from securing a new loan facility in January 2024 and closing on \$1.4m of a \$5.0m committee equity financing. The Group's cash balance as at 30 June 2024 was \$2.7m (FY23: \$3.8m).

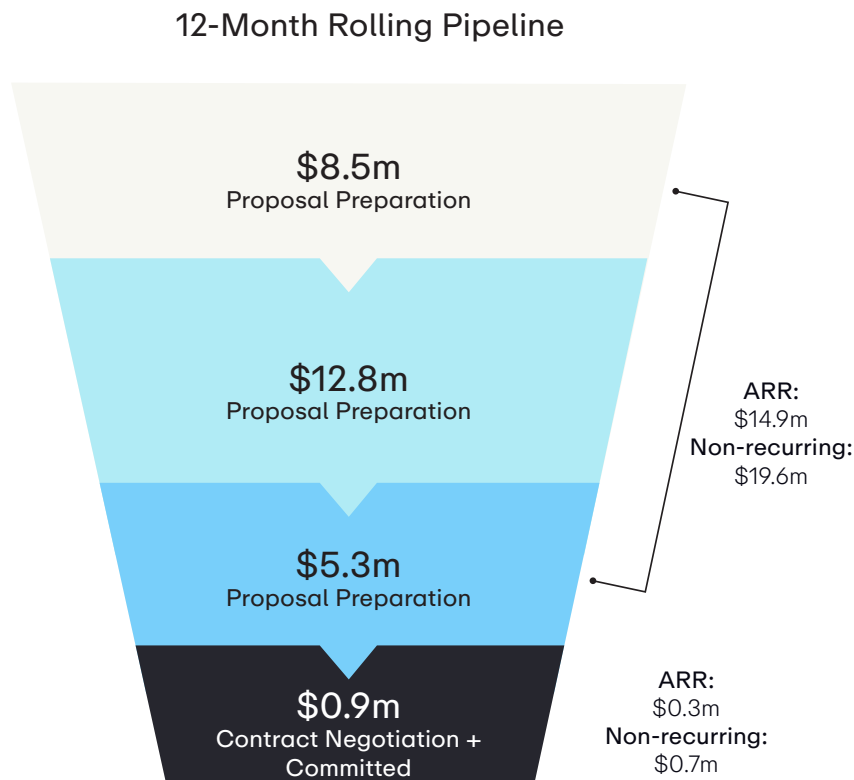
¹ Prior comparison period (pcp) being FY2023.

Deep and Strong Pipeline

Our 12-month rolling qualified pipeline ⁽¹⁾ remains strong, currently valued at approximately \$275 million. Of this, \$0.9 million is at the final stages of Contract Negotiation ⁽²⁾ and Committed ⁽³⁾, while an additional \$5.3 million in opportunities are under Client Evaluation ⁽⁴⁾, positioned just one step away from finalisation. These figures represent our sales pipeline over the next 12 months, rather than the Total Contract Value (TCV), meaning that, upon full conversion, these amounts are expected to contribute to our revenue in the upcoming year.

Key insights include:

- EMEA and North America account for approximately 47% of our 12-month pipeline, showcasing our continued expansion into key international markets
- In FY24, we secured \$16.2 million in new contracts (TCV).
- Airports make up about 35% of our current qualified pipeline, highlighting our strong presence and continued investment in this key vertical



1 As at August 2024

2 Contract Negotiation - sales have firmed up pricing and issued it to the customer, the customer has provided an indication that they wish to proceed and we are in the process of negotiating the final commercial terms

3 Committed - the customer has committed to the commercial terms in writing but is not ready to be invoiced yet

4 Client Evaluation - a proof of concept, the customer understands the value proposition of the offering and is expressing interest to proceed but requires more time to evaluate or requires internal budget approval on the proposal before proceeding any further

Directors' Report

Your Directors submit the financial report of Beonic Limited (Beonic or the Company) for the year ended 30 June 2024. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows.

Directors

The names and particulars of the Directors of the Company during or since the end of the financial year (Directors) are:

Name, independence status and qualifications	Experience, interests in shares, special responsibilities and other directorships
<p>Robert (Bob) Alexander</p> <p>Independent Non-Executive Chairperson from 31 December 2022</p> <p>Independent Non-Executive Director (appointed 1 July 2022)</p> <p>BComm(Merit).</p>	<ul style="list-style-type: none"> Mr Bob Alexander is an experienced "C" suite executive and ASX listed company director, having held several Non-Executive Director roles in the technology solution, intellectual property and digital media and advertising industries. Bob was a Non-Executive Director and Chairman of the Audit & Risk Committee for former ASX-listed software company, The Citadel Group Limited, as well as Xenith IP Group Limited and QMS Media Limited. Bob started his career with Ernst and Young and has worked both internationally and in Australia throughout his career, in the media, entertainment, publishing, professional services, fintech and not for profit sectors. He was a Chartered Accountant for over 30 years. Member of the Nomination and Remuneration Sub-Committee and a member of the Audit and Risk Sub-Committee. Holds a relevant interest in 509,250 shares. No other listed company directorships.
<p>Kirsty Rankin</p> <p>Independent Non-Executive Director (appointed 23 August 2021)</p> <p>BComm (Merit), MAICD</p>	<ul style="list-style-type: none"> Ms Rankin is an entrepreneur and visionary business leader with a track record of creating and executing innovative loyalty, customer engagement & marketing strategies that propel business results. She was the co-CEO of Pinpoint Pty Ltd, a 500 FTE Loyalty/Marketing company in Asia Pacific and led the company from start up to exit in 2014 with the acquisition of Pinpoint by Mastercard. Post acquisition she moved into a senior global executive role at Mastercard based in the US, where she created, delivered and managed innovative, state-of-the-art data driven products and services for merchants, banks, acquirers, and consumers. Her deep expertise in data driven insights, digital transformation, loyalty, customer engagement and new product development extends across multiple industries, organisations and geographies. She has a strong understanding of governance to balance the interests of stakeholders and significant expertise in data governance including data security, privacy, integrity, and database management. Her global network of contacts spans some of the largest, most innovative banks, fin tech companies and merchants. Member (Chairperson) of the Nomination and Remuneration Sub-Committee. Holds a relevant interest in 139,089 shares. Independent non-executive director for Flight Centre Travel Group (ASX:FLT)
<p>Mark Devadason</p> <p>Independent Non-Executive Director (appointed 1 July 2022)</p> <p>B.Soc.Sci., MAICD</p>	<ul style="list-style-type: none"> Mr Devadason has more than 30 years of international banking and leadership experience across corporate, private banking and broad-based sustainability work. Mark is also a Non-Executive Director of Melbourne based mutual bank, Bank First and an executive coach and mentor with Stephenson Mansell Group. Member (Chairperson) of the Audit and Risk Sub-Committee and a member of the Nomination and Remuneration Sub-Committee. Holds a relevant interest of 135,000 shares. No other listed company directorships.

Name, independence status and qualifications

Experience, interests in shares, special responsibilities and other directorships

William Tucker
Chief Executive Officer/
Executive Director
(appointed 13 November 2023)

Mr Tucker is an experienced leader and transformation specialist with a career spanning over 20 years across the technology, startup, private and listed company sector. Billy was most recently CEO of marketplace business Oneflare. Oneflare saw a threefold growth in revenues before being sold to Airtasker (ASX:ART) late in 2022. Prior to Oneflare, Mr Tucker spent almost a decade as a global executive in product and corporate development roles within Microsoft before leaving to build startup Cudo, which he ran as Founder and CEO. Mr Tucker has also served as a long-term advisor to Kmart and other retailers as well as working with QBE and American Express to build and integrate digital ventures.

- Member of the Audit and Risk Sub-Committee.
- Holds a relevant interest of nil shares.
- No other listed company directorships.

John Rankin
Chief Operating Officer
(COO) (resigned as
Executive Director 14
November 2023, remains
as COO)

• Mr Rankin, is Chief Operating Officer of the Company, having joined Beonic in 2016. John has over 18 years' experience in the media and property industry, ten of which were spent in senior and executive leadership positions. Prior to joining Beonic, John worked at GPT Group where he held two Director-level positions. Before GPT, John spent five years in the United Kingdom at out-of-home media company, oOh Media, as General Manager.

- Member of the Strategy Sub-Committee.
- Holds a relevant interest in 8,920,006 shares and 9,479,352 EOP options.
- No other listed company directorships

Priyamvada Rasal
Company Secretary
(appointed 1 February 2024)
LLB, B.Com, Chartered
Secretary (CGI, UK), AGIA

• Ms Priyamvada (Pia) Rasal has over 14 years' experience in company secretarial consultancies across multiple geographies (Melbourne, Perth, and Mumbai) in governance, corporate secretarial and legal roles. She has managed a portfolio of private companies, public companies, ASX listed entities and non-profit organisations as a Company Secretary. Ms Rasal is an Associate Member of the Chartered Governance Institute (UK) and the Governance Institute of Australia. Ms Rasal holds a bachelor's degree in law and commerce from India.

- Holds a relevant interest of nil shares.

Wayne Arthur
Chief Executive Officer/
Executive Director
(resigned 9 August 2023)

Koreen White
Company Secretary
(resigned 31 January 2024)

Directors' Report continued

Meetings of Directors

During the financial year, 18 meetings of Directors were held. Other matters arising during the year were resolved by circulating resolutions. The following persons were Directors of the Company during the financial year, with attendance to meetings of Directors as follows:

	Directors' Meetings		Audit and Risk Sub-Committee Meetings		Nomination and Remuneration Sub-Committee Meetings	
	Eligible to attend	Attended	Eligible to attend	Attended	Eligible to attend	Attended
Robert Alexander	18	18	3	3	2	2
Kirsty Rankin	18	16	-	-	2	2
Mark Devadason	18	18	3	3	2	2
William Tucker	8	8	2	2	-	-
Wayne Arthur	1	1	-	-	-	-
John Rankin	5	5	-	-	-	-

Principal activities

The principal activity of the Group during the financial year was the provision of data analytics services.

Review of operations

The consolidated entity's loss attributable to equity holders of the Company, after providing for income tax, amounted to \$7,417,929.

(2023 loss: \$10,542,247). Refer to the commentary in the Review of Operations.

Dividends paid or recommended

In respect of the financial year ended 30 June 2024, there have been no dividends paid or provided for (2023: nil).

Significant changes in state of affairs

There are no significant changes in the state of affairs of the parent entity during the financial year.

Subsequent events

On 1 July 2024, the Company announced the appointment of Mr Michael McConnell as an independent non-executive Director.

On 23 August 2024, the Company sought approval for a two-tranche institutional placement to raise up to \$5 million and a \$0.5m Share Purchase Plan (SPP) via an extraordinary general meeting, which at that time was approved by shareholders.

There are no other matters or circumstances that have arisen since 30 June 2024 that have significantly affected, or may significantly affect:

- the Group's operations in future financial years, or
- the results of those operations in future financial years, or
- the Group's state of affairs in future financial affairs.

Future developments

Disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Company. Accordingly, this information has not been disclosed in this report.

Environmental regulations

The Group's operations are not involved in any activities that have a marked influence on the environment. As such, the Directors are not aware of any material issues affecting the Group or its compliance with the relevant environment agencies or regulatory authorities.

Indemnification of officers and auditors

During the financial year, the Company paid premiums based on normal commercial terms and conditions to insure all directors, officers and employees of the Group against claims brought against the individual while performing services for the Group. The premium paid has not been disclosed as it is subject to the confidentiality provisions of the insurance policy. Except as noted below, the Company has not otherwise, during or since the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

The Company has previously entered into a Deed of Indemnity, Insurance and Access with each of its current Directors. The purpose of the Deed is to:

- confirm the indemnity provided by the Company in favour of Directors under the Company's Constitution;
- include an obligation upon the Company to maintain adequate Directors and Officers liability insurance; and
- confirm the right of access to certain documents under the Corporations Act.

Non-audit services

Amounts paid or payable to the auditor for non-audit services provided during the year by the auditor amounted to \$8,000 (2023: \$8,000).

The Directors are satisfied that the provision of non-audit services in the form of tax compliance services, during the year, by the auditor (or another person or firm on the auditors' behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act.

The Directors are of the opinion that the services as disclosed in Note 23 to the financial statements do not compromise the external auditor's independence, based on advice received from the Audit and Risk Committee, for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditors own work, acting in a management or decision making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former audit partners of Hall Chadwick

There are no officers of the Company who are former audit partners of Hall Chadwick.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 22 of this report and forms part of the Directors' Report for the year ended 30 June 2024.

Proceedings on behalf of Company

No person has applied for leave of 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.



Remuneration report

The Remuneration Report, which has been audited, details the nature and amount of remuneration for each Director and the Executives.

Key management personnel (KMP) include the following persons who were Directors of Beonic Limited during the financial year:

- Robert Alexander – Non-Executive Chairperson
- Kirsty Rankin – Non-Executive Director
- Mark Devadason – Non-Executive Director
- William Tucker – Chief Executive Officer & Executive Director (appointed 13 November 2023)
- Wayne Arthur – Chief Executive Officer & Executive Director (resigned 9 August 2023)
- John Rankin – Chief Operating Officer & Executive Director (resigned 14 November 2023, remaining as COO)

The following persons also had the authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, during the financial year:

- Michael Pearce – Chief Financial Officer (appointed 11 June 2024)
- Koreen White – Finance Director and Company Secretary (resigned 31 January 2024)

Remuneration policy

The performance of the Group depends upon the quality of its directors and executives. The Group recognises the need to attract, motivate and retain highly skilled directors and executives.

The Board of Directors, through its Nomination and Remuneration Committee, accepts responsibility for determining and reviewing remuneration arrangements for the Directors and Executives. The Nomination and Remuneration Committee assesses the appropriateness of the nature and amount of remuneration of Directors and Executives on a periodic basis. This is done with reference to relevant employment market conditions, giving due

consideration to the overall profitability and financial resources of the Group, with the objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

Non-Executive Director remuneration

Fees and payments to Non-Executive Directors reflect the demands which are made of the Directors in fulfilling their responsibilities. Non-Executive Director fees are reviewed annually by the Board. The constitution of the Company provides that the Non-Executive Directors of the Company are entitled to such remuneration, as determined by the Board, which must not exceed in aggregate the maximum amount determined by the Company in a general meeting. On 3 December 2012, a general meeting was held with shareholders approving a maximum aggregate remuneration of \$500,000. The Board of Directors are of the view that the value remains sufficient. FY24 Non- Executive Directors' fees paid by the Company were \$284,476 inclusive of superannuation.

Executive and Executive Director remuneration

Fixed remuneration consists of base remuneration (which is calculated on a total cost basis and includes any fringe benefits tax charges related to employee benefits), as well as employer contributions to superannuation funds.

Executive and Executive Director remuneration levels are reviewed annually by the Nomination and Remuneration Committee through a process that considers the overall performance of the Group. Executive Directors are not paid any director fees in addition to their fixed remuneration as Executives.

Performance based remuneration

Performance based remuneration, which may take the form of cash or equity based bonuses, is at the discretion of the Nomination and Remuneration Committee.



1. Remuneration of Directors and Executives

Remuneration shown below relates to the period in which the Director or Executive was a member of key management personnel. Amounts below have either been paid out or accrued in the period.

	Short-term benefits			Post employment benefits	Share based payments		Total
	Directors' fees	Salary and fees	Bonuses	Superannuation	Shares	Options	
	\$	\$	\$	\$	\$	\$	\$
FY 2024							
Directors:							
R. Alexander	86,250	-	-	9,526	-	-	95,776
K. Rankin	85,000	-	-	9,350	-	-	94,350
M. Devadason	85,000	-	-	9,350	-	-	94,350
W. Tucker ⁽¹⁾	-	262,901	112,292	19,925	-	-	395,118
W. Arthur ⁽²⁾	-	43,414	-	11,904	-	-	55,318
Other KMP:							
J. Rankin ⁽³⁾	-	335,358	45,439	2,283	-	-	383,080
M. Pearce ⁽⁴⁾	-	17,231	-	1,982	-	-	19,213
K. White ⁽⁵⁾	-	125,261	-	13,765	-	-	139,026
Total	256,250	784,165	157,731	78,085	-	-	1,276,231
FY 2023							
Directors:							
R. Alexander	80,486	-	-	8,451	-	-	88,937
K. Rankin	85,000	-	-	8,925	-	-	93,925
M. Devadason	75,486	-	-	7,926	-	-	83,412
A. Johnson ⁽⁶⁾	42,500	-	-	4,462	-	-	46,962
S. O'Malley ⁽⁷⁾	35,417	-	-	3,719	-	-	39,136
W. Arthur	-	451,884	-	25,292	-	-	477,176
J. Rankin	-	335,450	-	25,292	-	-	360,742
Other KMP:							
K. White	-	296,175	-	25,292	-	-	321,467
Total	318,889	1,083,509	-	109,359	-	-	1,511,757

Notes:

1. Represents the remuneration from the 13 November 2023, being the date upon which the individual was appointed to be a Director.
2. Represents the remuneration up to 9 August 2023, being the date upon which the individual ceased to be a Director.
3. Represents the remuneration for the full year, on 14 November 2023 individual ceased to be a Director however remains as a KMP.
4. Represents the remuneration from the 11 June 2024, being the date upon which the individual was appointed to be a KMP.
5. Represents the remuneration up to 31 January 2024, being the date upon which the individual ceased to be a KMP.
6. Represents the remuneration up to 31 December 2022, being the date upon which the individual ceased to be a Director.
7. Represents the remuneration up to 15 November 2022, being the date upon which the individual ceased to be a Director.

Remuneration report continued

Ordinary shares

Details of ordinary shares in the Company held directly, indirectly or beneficially, by KMP including their related parties, is as follows:

	Balance at start of year	Received as part of remuneration	Purchase of shares	Transfer / Sale of shares	Balance at end of year
FY 2024					
Directors:					
R. Alexander	509,250	-	-	-	509,250
K. Rankin	139,089	-	-	-	139,089
M. Devadason	135,000	-	-	-	135,000
W. Tucker ⁽¹⁾	-	-	-	-	-
W. Arthur ⁽²⁾	18,651,213	-	-	-	18,651,213
Other KMP:					
J. Rankin ⁽³⁾	8,920,006	-	-	-	8,920,006
K. White ⁽⁴⁾	3,586,917	-	-	-	3,586,917
Total	31,941,475	-	-	-	31,941,475
FY 2023					
Directors:					
R. Alexander	-	-	509,250	-	509,250
K. Rankin	-	-	139,089	-	139,089
M. Devadason	-	-	135,000	-	135,000
A. Johnson ⁽⁵⁾	6,525,396	-	-	-	6,525,396
S. O'Malley ⁽⁶⁾	944,785	-	-	-	944,785
W. Arthur	17,351,213	-	1,300,000	-	18,651,213
J. Rankin	5,750,233	-	3,169,773	-	8,920,006
Other KMP:					
K. White	3,586,917	-	-	-	3,586,917
Total	34,158,544	-	7,357,590	-	41,516,134

Notes:

1. Represents the ordinary share movements from the 13 November 2023, being the date upon which the individual was appointed to be a Director.
2. Represents the ordinary share movements up to 9 August 2023, being the date upon which the individual ceased to be a Director.
3. Represents the ordinary share movements for the full year, on 14 November 2023 individual ceased to be a Director however remains as a KMP.
4. Represents the remuneration up to 31 January 2024, being the date upon which the individual ceased to be a KMP.
5. Represents the remuneration up to 31 December 2022, being the date upon which the individual ceased to be a Director.
6. Represents the remuneration up to 15 November 2022, being the date upon which the individual ceased to be a Director.

ESP shares

Details of ESP shares in the Company held directly, indirectly or beneficially, by KMP including their related parties, is as follows:

	Balance at start of year	Granted / issue	Purchased/ released	Forfeited / cancelled	Balance at end of year	Balance of vested ESP shares	Balance of unvested ESP shares
FY 2024							
Directors:							
W. Arthur	-	-	-	-	-	-	-
Other KMP:							
J. Rankin	-	-	-	-	-	-	-
K. White	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-
FY 2023							
Directors:							
W. Arthur	1,850,000	-	(1,300,000)	(550,000)	-	-	-
J. Rankin	1,100,000	-	(1,100,000)	-	-	-	-
Other KMP:							
K. White	1,400,000	-	(600,000)	(800,000)	-	-	-
Total	4,350,000	-	(3,000,000)	(1,350,000)	-	-	-



Remuneration Report continued

Executive option plan (EOP) & Other Options

Details of options over unissued ordinary shares in the Company held directly, indirectly or beneficially, by KMP including their related parties, is as follows:

	Balance at start of year	Received as part of remuneration/contracted	Exercise of options	Expiry of options	Balance at end of year
FY 2024					
Directors:					
W. Arthur ⁽¹⁾	9,582,160	-	-	-	9,582,160
Other KMP:					
J. Rankin ⁽²⁾	9,479,352				9,479,352
K. White ⁽³⁾	1,867,377	-	-	-	1,867,377
Total	20,928,889	-	-	-	20,928,889

FY 2023

Directors:					
W. Arthur	9,582,160	-	-	-	9,582,160
J. Rankin	11,549,125	-	(2,069,773)	-	9,479,352
Other KMP:					
K. White	3,171,855	-	(1,304,478)	-	1,867,377
Total	24,303,140	-	(3,374,251)	-	20,928,889

(1) Represents the EOP movements up to 9 August 2023, being the date upon which the individual ceased to be a Director.

(2) Represents the EOP movements for the full year, on 14 November 2023 individual ceased to be a Director however remains as a KMP.

(3) Represents the EOP movements up to 31 January 2024, being the date upon which the individual ceased to be a KMP

Loans to Directors and KMP

The following loan balances are outstanding at the reporting date in relation to remuneration arrangements with Executive Directors and KMP in respect of shares issued under the Employee Share Plan (ESP) and the Executive Option Plan (EOP).

As the ESP and EOP are considered in substance to be an option, the ESP and EOP shares issued and corresponding loan receivables are not recognised by the Group in its financial statements. The ESP shares will not be considered issued to participants until the corresponding loan has been repaid, at which time there will be an increase in the issued capital and increase in cash. Further information relating to the ESP and EOP is set out in Note 26 to the financial statements.

	2024	2023
	\$	\$
W. Arthur	-	95,822
J. Rankin	94,794	94,794
K. White	-	18,674
Total	94,794	209,290

Other transactions with KMP and/or their related parties

During 2024, the company secured a loan with Blue Venshures SPV 1 LLC totalling USD \$3,100,000 (~AUD \$4.7m) commencing from 25 January 2024 and ending on 24 January 2026. The loan carries a 15% annual interest rate, with payments due quarterly. The principal amount is repayable at the conclusion of the two-year term. No financial conditions are attached. Chairperson Robert Alexander, CEO & Executive Director William Tucker and KMP John Rankin contributed to the Facility on the same commercial terms as the other investors. In addition to the Blue Venshures loan, CEO & Executive Director William Tucker provided an additional short-term loan facility of \$350,000 with 15% annual interest rate and payments due quarterly. No financial conditions are attached to the loan. The terms were provided under normal commercial terms and conditions. Further information in relation to related parties is disclosed in Note 27 to the financial statements.

There were no other transactions with any KMPs and/or their related parties during the financial year.

Short-term incentive (STI) and Long-term incentive (LTI)

STI and LTI are at-risk components of remuneration for various members of the Executive team. They are structured to reward effective execution of the Company's strategy, shareholder value creation, and individual performance. The Company's STI and LTI plans have been reviewed alongside the Executive team restructure over the past year to ensure that total remuneration aligns with the Company's strategy, value creation, and individual performance.

Executive service agreements

The employment terms and conditions of KMP and Group executives are formalised in service agreements.

Position	Key terms of service agreements
Chief Executive Officer	<ul style="list-style-type: none"> • Base salary: \$440,000 inclusive of superannuation. • Term: unspecified. • Base remuneration: Reviewed annually by the Remuneration and Nomination Committee. • Bonus entitlements: Determined annually by the Remuneration and Nomination Committee. • Termination notice period: 6 months notice, or without notice in the event of serious misconduct. • Restraint of trade period: up to 6 months.
Other Executives	<p>Other Executives are employed under individual executive services agreements. These establish amongst other things:</p> <ul style="list-style-type: none"> • Total compensation; • Bonus entitlements; • Variable notice and termination provisions of up to 3 months, or by the Group without notice in the event of serious misconduct; and • Restraint and confidentiality provisions.

This concludes the Remuneration Report, which has been audited.

The Directors' Report is signed in accordance with a resolution of the Directors made pursuant to s298(2) of the Corporations Act 2001.

On behalf of the Directors



Robert Alexander
Chairman
28 August 2024

Auditor's Independence Declaration

HALL CHADWICK  (NSW)

BEONIC LIMITED
ABN 20 009 264 699
AND ITS CONTROLLED ENTITIES

SYDNEY
Level 40
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Sydney NSW 2000
Australia
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**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF BEONIC LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of Beonic Limited. As the lead audit partner for the audit of the financial report of Beonic Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.



Hall Chadwick (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



Stewart Thompson
Partner

Dated: 28 August 2024

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Corporate Governance Statement

The Company's Board of Directors is responsible for the Corporate Governance of the Company and its controlled entities. The Board guides and monitors the business and affairs of the group on behalf of the shareholders by whom they are elected and to whom they are accountable. The governance practices adopted by the Company are structured with reference to the 4th Edition of the ASX Corporate Governance Council's Principles and Recommendations (ASX CGPR).

The Board is committed to improving its corporate governance practices and embracing the principles published by the ASX Corporate Governance Council, however the Board is of the view that the adoption of the practices and principles should be considered in line with the size, stage and nature of the business and the industry in which it operates.

The Board aims to achieve all of the Principles and Recommendations in stages as the Company grows and its circumstances change over time.

The information provided below summarises how the Company presently complies with the ASX CGPR, and how it intends to comply with each of the current Principles and Recommendations going forward. This statement is current as 30 June 2024 and has been approved by the Board of Directors of the Company.

Principle 1 – Lay solid foundations for management and oversight

The Company has adopted a Board Charter clearly setting out the respective roles and responsibilities of the Board and management. The Board Charter is available on the Company's website, www.beonic.com

The key responsibilities of the Board include:

- (a) setting the long-term strategy and annual business plan including objectives and milestones to be achieved;
- (b) monitoring the performance of the Company against the financial objectives and operational goals set by the Board and reviewing the implementation of Board approved strategies;
- (c) assessing the appropriateness of the skill sets and the levels of experience of the members of the Board, individually and as a whole and selecting new members to join the Board when a vacancy exists;
- (d) appointing, removing and determining the terms of engagement of the Directors, Chief Executive Officer and Company Secretary;
- (e) overseeing the delegation of authority for the day to day management of the Company;
- (f) ensuring that the risk management systems, financial reporting and information systems, personnel, policies and procedures are all operating efficiently and effectively by establishing a framework of internal controls and compliance;
- (g) approving the capital structure and major funding requirements of the Company;
- (h) approving the Company's half year and full year reports to the

shareholders, ASX and ASIC; and

- (i) Ensuring that recruitment, retention, termination, remuneration, performance review and succession planning policies and procedures are in place and complied with.

The Board is currently comprised of five Directors Mr Bob Alexander, Mr Mark Devadason, Ms Kirsty Rankin, Mr Billy Tucker and Mr Michael McConnell.

The Company has established a Nomination and Remuneration Committee to identify and make recommendations to the Board for the appointment of new Board candidates, having regard to their skills, experience and expertise. The Committee is currently comprised of four independent Directors, Ms Rankin, Mr Alexander, Mr Devadason and Mr McConnell. The Board requires this Committee to undertake appropriate checks on potential Board candidates. The number of times the Nomination and Remuneration Committee met, and the attendance at those meetings, is set out in the Directors' Report. The Nomination and Remuneration Committee Charter is available on the Company's website, www.beonic.com.

All Directors and senior executives have entered into written appointment agreements with the Company, setting out the terms and conditions of their appointment.

Under the Board Charter, each Director's performance is assessed when standing for re-election. Before each Annual General Meeting, the Chairperson of the Board assesses the performance of any Director standing for re-election and the Board will determine their recommendation to shareholders on the re-election of the Director (in the absence of the Director involved). The Board (excluding the Chairperson), will conduct the review of the Chairperson.

Under the Board Charter, senior executives' performance will be considered by the Nomination and Remuneration Committee on at least an annual basis. The Chairperson is responsible for ensuring these meetings take place.

The Board strives to ensure that it is comprised of directors with a blend of skills, experience and attributes appropriate for the Company and its business. The Company has a board skills matrix, setting out the mix of skills and diversity of the current Directors of the Company. A copy of the Board Skills Matrix is available on the Company website at www.beonic.com.

The Company Secretary is accountable directly to the Board, through the Chairperson, on all matters to do with the proper functioning of the Board. The Board Charter sets out the Company Secretary's responsibilities, which include:

- (a) board and committee papers;
- (b) ensuring the business at Board and sub-committee meetings is accurately captured in the minutes;
- (c) monitoring and ensuring the Board and sub-committee policy and procedures are followed; and
- (d) advising the Board and its committees on governance matters.

Corporate Governance Statement continued

The Board has established a Diversity Policy, which recognises diversity to encompass ethnicity, gender, sexual orientation, age, physical abilities, family status, religious beliefs or other ideologies, and is committed to creating and maintaining an inclusive and collaborative workforce. The Company understands that encouraging diversity is not just a socially responsible necessity, but that it is essential to the Company's continued growth and vital to a successful future.

Given the size and nature of the Company, the Board determined not to establish measurable objectives for achieving diversity for the 2024 financial year. Establishing measurable objectives for achieving diversity will be reconsidered on an annual basis.

As at 30 June 2024, the proportion of women employed by the Group was as follows:

- Board of Directors: 25%
- Senior Executive positions: 20%
- Total Group workforce: 25%

The Diversity Policy is available on the Company's website, www.beonic.com.

Principle 2 – Structure the board to add value

The Nomination and Remuneration Committee has the authority and power to exercise the roles and responsibilities granted to it under the Nomination and Remuneration Committee Charter.

The Committee is comprised of four independent Directors, Ms Rankin, Mr Alexander, Mr Devadason and Mr McConnell. Ms Rankin acts as Chairperson. The Board regularly assesses the independence of each Director in light of the interests disclosed by them. That assessment is made at each Board meeting in relation to matters under consideration at the meeting, at least annually at, or around the time that the Board considers candidates for election to the Board, and each independent Director is required to provide the Board with all relevant information for this purpose. If the Board determines that a Director's independent status has changed, that determination will be disclosed to the market in a timely fashion.

A majority of the Board (comprising the Chairperson of the Board, Mr Alexander, Mr Devadason, Ms Rankin and Mr McConnell) are considered to be independent Directors. Mr Tucker, Executive Director and CEO, is not considered to be an independent Director.

Under the Board Charter, the Directors are expected to participate in any induction or orientation programs on appointment, and any continuing education or training arranged for them. The Company Secretary assists in organising and facilitating the induction and professional development of Directors.

Principle 3 – Instil a culture of acting lawfully, ethically and responsibly

The Board has adopted a Code of Conduct which sets out the values, commitments, ethical standards of conduct expected of the Company's business and people, taking into account the Company's legal and other obligations to its stakeholders.

This Code of Conduct is the foundation and basis for which the Company culture is built upon. Furthermore, the Code of Conduct applies to all Directors, as well as all officers, employees, contractors, consultants and other persons that act on behalf of the Company. The Code of Conduct is available on the Company's website, www.beonic.com.

Principle 4 – Safeguard integrity in corporate reporting

The Board has established an Audit and Risk Committee. This Committee is responsible for, amongst other things, appointing the Company's external auditors and overseeing the integrity of the Company's financial reporting systems and financial statements. The Company has adopted an Audit and Risk Committee Charter which is available on the Company's website, www.beonic.com.

The number of times the Audit and Risk Committee met, and the attendance at those meetings, is set out in the Directors' Report.

The Committee is comprised of three independent Directors, Mr Devadason, Mr Alexander, Mr McConnell, as well as Executive Director, Mr Tucker. Mr Devadason acts as Chairperson.

The Board has implemented a process to receive written assurances from its Chief Operating Officer and Finance Director that the declarations that will be provided under section 295A of the Corporations Act 2001 (Cth) are founded on a system of risk management and internal control and that the system is operating in all material respects in relation to financial reporting risks. The Board seeks these assurances prior to approving the annual financial statements for all half year and full year results that follow.

Representatives from the Company's external auditor, Hall Chadwick, are present at the Annual General Meeting to answer questions that shareholders might have about the scope and conduct of the audit, the preparation and content of the auditor's report, the accounting policies adopted by the Company and the independence of the auditor.

The Company has adopted a formal Disclosure and Communication Policy, where there is an express requirement that the external auditor will attend the Annual General Meeting and be available to answer questions about the conduct of the audit and the preparation and content of the auditor's report.

Principle 5 – Make timely and balanced disclosure

The Company ensures that it complies with the requirements of ASX listing rules and the Corporations Act in providing information to shareholders. Consistent with the Board's commitment to improving its disclosure policy, the Board has adopted a Disclosure and Communication Policy, which sets out the Company's commitment to the objective of promoting investor confidence and the rights of shareholders by:

- (a) complying with the continuous disclosure obligations imposed by law;
- (b) ensuring that company announcements are presented in a factual, clear and balanced way;
- (c) ensuring that all shareholders have equal and timely access

to material information concerning the Company; and

(d) communicating effectively with shareholders and making it easy for shareholders to participate in general meetings.

The Disclosure and Communication Policy is available on the Company's website, www.beonic.com.

Principle 6 – Respect the rights of security holders

The Company recognises the rights of its shareholders and other interested stakeholders to have easy access to balanced, understandable and timely information concerning the operations of the Company. Information concerning the Company and its governance practices are made available on its website and addressed in detail in each years' Annual Report.

The Board has adopted a Disclosure and Communication Policy which supports its commitment to effective communication with its shareholders. In addition, the Company intends to communicate with its shareholders:

- (a) by making timely market announcements;
- (b) by posting relevant information on to its website;
- (c) by inviting shareholders to make direct inquiries to the Company; and
- (d) through the use of general meetings.

The Board encourages participation of shareholders at the Annual General Meeting or any other shareholder meetings to ensure a high level of accountability and identification with the Company's strategy and goals.

The Company's shareholders may elect to receive information from the Company and its registry electronically. Otherwise, the Company and its registry will communicate by post with shareholders who have not elected to receive information electronically.

Principle 7 – Recognise and manage risk

The Board has established an Audit and Risk Committee to ensure the Company has an effective risk management system in place and to manage key risk areas.

The Company's Audit and Risk Committee is comprised of three independent Directors, Mr Devadason, Mr Alexander, Mr McConnell as well as executive Director, Mr Tucker. Mr Devadason acts as Chairperson.

The Company has adopted an Audit and Risk Committee Charter which is available on the Company's website, www.beonic.com.

Under the Board Charter, the Board ensures that the Company has in place an appropriate risk management framework. A risk management framework was developed during the 2015 financial year by the Audit and Risk Committee, and approved by the Board. The Board will review, at least annually, the Company's risk management framework in order to satisfy itself that it continues to be sound. A risk review was undertaken as part of the Company's interim and end of financial year reporting periods.

The Audit and Risk Committee is responsible for ensuring that the Company has appropriate internal audit systems and controls in place, and for overseeing the effectiveness of these internal controls. The Committee is also responsible for conducting investigations of breaches or potential breaches of these internal controls.

Principle 8 – Remunerate fairly and responsibly

The Company's Nomination and Remuneration Committee is responsible for developing, reviewing and making recommendations on:

- (a) the remuneration framework for Directors, including the process by which any pool of Directors fees approved by security holders is allocated to Directors;
- (b) the remuneration packages to be awarded to senior executives;
- (c) equity based remuneration plans for senior executives and other employees; and
- (d) superannuation arrangements for Directors, senior executives and other employees.

The Company's remuneration policy is disclosed in the Directors' Report. The policy has been set out to ensure that the performance of Directors, key executives and staff reflect each person's accountabilities, duties and their level of performance, and to ensure that remuneration is competitive in attracting, motivating and retaining staff of the highest quality. The Company can confirm there are no pay gaps based on gender. A program of regular performance appraisals and objective setting for key executives and staff is in place. These annual reviews take into account individual and company performance, market movements and expert advice, if required.

The Constitution permits Directors, senior executives and other officers of the Company to trade in Company shares as long as they comply with the Company's Share Trading Policy. The Share Trading Policy is a code that is designed to minimise the potential for intentional and unintentional insider trading violations. The Company's Share Trading Policy is available on the Company's website, www.beonic.com.

Directors must notify the Chairman of the Board, before they buy or sell shares in the Company. The details of the share trading must be given to the Company Secretary who must lodge such details of such changes with the ASX.

Senior executives must give prior notice to the Chief Executive Officer, while other officers must notify the Company Secretary, before trading in the Company shares and details of all such transactions must be given, in writing, to the Company Secretary within 5 business days.

Any changes in substantial shareholding of the Directors, senior executives or other officers must be reported to the ASX within two (2) business days of such trading. The policy also recommends that trading in the Company shares only occur in certain trading windows.

Consolidated statement of profit or loss and other comprehensive income

for the financial year ended 30 June 2024

	Note	2024 \$	2023 \$
Revenue and other income			
Revenue	4&5	24,105,356	23,524,779
Other income	4&5	22,092	94,038
Total revenue		24,127,448	23,618,817
Expenses			
Direct costs of services		(6,384,152)	(5,107,274)
Employee benefits expense	6	(13,348,230)	(15,183,940)
Contractor and consultant expenses		-	(63,936)
Marketing and promotion expenses		(788,820)	(705,057)
Data hosting expenses		(1,464,132)	(1,078,841)
Travel and accommodation expenses		(342,391)	(432,785)
Office and other expenses		(3,337,993)	(3,284,978)
Directors' fees		(284,476)	(352,372)
Share based payments expense		(131,969)	(2,555,114)
Depreciation and amortisation expenses	6	(4,542,710)	(4,229,254)
Finance costs	6	(555,430)	(168,232)
Total expenses		(31,180,303)	(33,161,783)
Loss before tax		(7,052,855)	(9,542,966)
Income tax (expense)/benefit	7	(365,075)	(999,281)
Loss for the year		(7,417,929)	(10,542,247)
Other comprehensive income			
Items that will be reclassified to profit or loss when specific conditions are met:			
Exchange differences on translation of foreign operations		(267,351)	(8,096)
Total comprehensive loss for the year		(7,685,280)	(10,550,343)
Earnings per share		Cents	Cents
Basic earnings per share	32	(1.71)	(2.41)
Diluted earnings per share	32	(1.55)	(2.14)

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

Consolidated statement of financial position

As at 30 June 2024

	Note	2024 \$	2023 \$
Assets			
Current assets			
Cash and cash equivalents	8	2,730,316	3,788,281
Trade and other receivables	9	3,801,030	4,700,706
Inventories	10	434,765	353,501
Other assets	11	1,843,352	1,175,859
Total current assets		8,809,463	10,018,346
Non-current assets			
Fixed assets	12	636,927	865,577
Intangible assets	14	10,462,647	12,134,806
Right of Use Assets	13	664,550	-
Other assets	11	-	73,517
Total non-current assets		11,764,124	13,073,900
Total assets		20,573,587	23,092,246
Liabilities			
Current liabilities			
Trade and other payables	15	4,326,226	4,546,261
Borrowings	16	527,129	2,064,096
Provisions	17	1,562,913	1,460,229
Lease liabilities	18	115,626	-
Current tax liabilities	7	64,168	22,595
Contract liabilities	19	6,646,838	6,191,739
Total current liabilities		13,242,900	14,284,920
Non-current liabilities			
Borrowings	16	4,740,809	-
Provisions	17	265,433	497,785
Lease liabilities	18	582,666	-
Contract liabilities	19	1,039,848	1,248,468
Total non-current liabilities		6,628,756	1,746,253
Total liabilities		19,871,656	16,031,173
Net assets		701,930	7,061,073
Equity			
Contributed equity	20	52,615,653	50,342,228
Reserves	21	9,702,888	10,917,526
Accumulated losses		(61,616,611)	(54,198,681)
Total equity		701,930	7,061,073

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

Consolidated statement of changes in equity

For the financial year ended 30 June 2024

Note	Contributed equity	Share based payments reserve	Share option reserve	Foreign currency translation reserve	Accumulated losses	Total equity
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2022	49,395,316	9,900,012	51,424	(905,597)	(43,656,434)	14,784,721
Loss for the year	-	-	-	-	(10,542,247)	(10,542,247)
Exchange differences on translation of foreign operations	-	-	-	(8,096)	-	(8,096)
Total comprehensive loss for the year	-	-	-	(8,096)	(10,542,247)	(10,550,343)
Transactions with owners in their capacity as owners:						
Exercise of ESP Shares 20 & 21	447,136	(152,536)	-	-	-	294,600
Exercise of EOP Options 20 & 21	535,839	(522,795)	-	-	-	13,045
Share based payments reserve 20 & 21	(36,063)	2,555,114	-	-	-	2,519,051
Balance at 30 June 2023	50,342,228	11,779,795	51,424	(913,693)	(54,198,681)	7,061,073
Note	Contributed equity	Share based payments reserve	Share option reserve	Foreign currency translation reserve	Accumulated losses	Total equity
	\$	\$	\$	\$	\$	\$
Balance at 1 July 2023	50,342,228	11,779,795	51,424	(913,693)	(54,198,681)	7,061,073
Loss for the year	-	-	-	-	(7,417,929)	(7,417,929)
Exchange differences on translation of foreign operations	-	-	-	(267,351)	-	(267,351)
Total comprehensive loss for the year	-	-	-	(267,351)	(7,417,929)	(7,685,280)
Transactions with owners in their capacity as owners:						
Issue of ordinary shares 20	1,400,833	-	-	-	-	1,400,833
Capitalised equity raising costs	(206,664)	-	-	-	-	(206,664)
Exercise of EOP Options 20 & 21	1,079,256	(1,031,188)	-	-	-	48,068
Share based payments reserve 20 & 21	-	83,901	-	-	-	83,901
Balance at 30 June 2024	52,615,653	10,832,508	51,424	(1,181,045)	(61,616,611)	701,930

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

Consolidated statement of cash flows

For the financial year ended 30 June 2024

	Note	2024 \$	2023 \$
Cash flows from operating activities			
Receipts from customers		25,231,432	27,176,301
Payments to suppliers and employees		(27,253,981)	(26,047,397)
Receipts from government R&D tax incentive & other government grants		(43,439)	36,600
Interest received		65,531	57,438
Interest paid		(555,430)	(168,232)
Income tax paid		(136,116)	(107,087)
Net cash (outflow)/inflow from operating activities	30	(2,692,003)	947,624
Cash flows from investing activities			
Payments for fixed assets		(81,079)	(774,216)
Payments for intangible assets		(2,560,822)	(2,790,910)
Refunds/(Payments) for security deposits		(36,591)	24,973
Net cash (outflow) from investing activities		(2,678,492)	(3,540,153)
Cash flows from financing activities			
Proceeds from issue of shares, net of capital raising costs		1,317,221	88,273
Proceeds from borrowings		6,151,292	3,850,000
Repayment of borrowings		(3,155,982)	(2,680,000)
Net cash inflow from financing activities		4,312,531	1,258,273
Net (decrease)/increase in cash		(1,057,964)	(1,334,257)
Cash at the beginning of the year		3,788,281	5,122,538
Cash at the end of the year	8	2,730,316	3,788,281

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

Notes to the financial statements

For the financial year ended 30 June 2024

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Notes to the financial statements

For the year ended 30 June 2024

1. Reporting entity

Beonic Limited (the Company) is a company domiciled in Australia. The address of the Company's registered office and principal place of business is 411/50 Holt Street Surry Hills, NSW 2010. The consolidated financial statements of the Company as at and for the year ended 30 June 2024 comprise the Company and its subsidiaries (together referred to as the Group and individually as Group entities). The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. The separate financial statements of the parent entity, Beonic Limited, have not been presented within this financial report as permitted by the Corporations Act 2001.

The financial statements were authorised for issue on 28 August 2024 by the Directors of the Company.

2. Basis of preparation

(a) Compliance with International Financial Reporting Standards

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

(b) Historical cost convention

The consolidated financial statements have been prepared on the historical cost basis unless otherwise stated in the notes. Except for the cash flow information, the financial statements have been prepared on an accrual basis, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

(c) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Company's functional currency.

(d) Critical accounting estimates

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

(e) Going concern

The financial statements of the Group have been prepared on a going concern basis, which contemplates the continuation of normal business operations and the realisation of assets and settlement of liabilities in the normal course of business.

The Group continues to be in the research, development and commercialisation stage of its data analytics technology and

services. During the year ended 30 June 2024 the Group incurred a loss after tax of \$7,417,929 of which \$4,674,678 are non-cash transactions including depreciation, amortisation and share based payments. Net current liabilities amounted to \$4,433,437, and net cash flow from operations was \$2,692,003. At 30 June 2024, the Group had a surplus in net assets of \$701,930.

During the year, the Company secured a loan facility with Blue Venshures SPV 1 LLC totaling USD \$3.1 million (~AUD \$4.7 million) commencing from 25 January 2024, and ending on 24 January 2026. The loan carries a 15% annual interest rate, with payments due quarterly. The principal amount is repayable at the conclusion of the two-year term. No financial conditions are attached. This loan replaces the loan facility of AUD\$1.8 million previously provided by Export Finance Australia. In addition to the \$4.7 million loan, there is a short term loan from Director William Tucker, also with a 15% annual interest rate, provided to assist with the cash management of large capital works projects.

In addition to the loan facility, the Company has closed on \$1.4m of a \$5.0m committed equity financing, with the remaining \$3.6m, and an additional SPP of \$0.5m, both approved by shareholders at the EGM held on 23 August 2024.

Beonic's management team has prepared cash flow projections that support the Group's ability to continue as a going concern. The Directors of the Company consider that the cash flow projections and assumptions are achievable, and in the longer term, significant revenues will continue to be generated from the commercialisation of intellectual property, and accordingly, the Group will be able to continue as a going concern.

Beonic has, and will continue, to engage with a range of stakeholders to ensure the Company retains its capital flexibility and security to execute upon its stated growth initiatives and broader corporate strategy.

In the event that the Group cannot continue as a going concern, it may not be able to realise its assets and settle its liabilities in the normal course of operations and at the amounts stated in the financial statements.

3. Material accounting policy information

(a) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of Beonic Limited and all its subsidiaries. Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights 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. A list of the subsidiaries is provided in Note 30.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation

Notes to the financial statements continued

For the year ended 30 June 2024

of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group. Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as “non-controlling interests”.

The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary’s net assets on liquidation at either fair value or at the non-controlling interests’ proportionate share of the subsidiary’s net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of profit or loss and other comprehensive income.

The consolidated financial statements have been prepared using reverse acquisition accounting. In reverse acquisition accounting, the cost of the business combination is deemed to have been incurred by the legal subsidiary Beonic Group Pty Ltd (the acquirer for accounting purposes) in the form of equity instruments issued to the owners of the legal parent, Beonic Limited (the acquiree for accounting purposes).

(b) Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses. A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The business combination will be accounted for from the date that control is attained, whereby the fair value of the identifiable assets acquired, and liabilities (including contingent liabilities) assumed is recognised (subject to certain limited exceptions).

When measuring the consideration transferred in the business combination, any asset or liability resulting from a contingent consideration arrangement is also included. Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or liability is remeasured each reporting period to fair value, recognising any change to fair value in profit or loss, unless the change in value can be identified as existing at acquisition date. All transaction costs incurred in relation to the business combination are expensed to the statement of profit or loss and other comprehensive income.

The acquisition of a business may result in the recognition of goodwill or a gain from a bargain purchase.

(c) Income tax

The income tax expense or revenue for the period is the tax payable on the current period’s taxable income based on the applicable tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the

reporting period in the countries where the Company’s subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax liabilities and assets will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact the tax expense in the period that such a determination is made. The Company and its wholly-owned Australian resident entities are part of a tax consolidated group. As a consequence, all members of the tax consolidated group are taxed as a single entity.

Beonic Limited became the head entity within the tax consolidated group on 20 November 2014 (previously Beonic Group Pty Ltd)

(d) Fixed Assets

Fixed Assets are stated at historical cost less depreciation, amortisation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

The carrying amount of fixed assets is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted in determining recoverable amounts.

Depreciation of all fixed assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

- Office and computer equipment: 3 – 10 years.
- Infrastructure as a Service equipment: 3 – 5 years.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains or losses are recognised in the profit and loss in the period in which they arise. When revalued assets are sold, amounts included in the revaluation surplus relating to that asset are transferred to retained earnings.

(e) Intangibles

Software development

Costs relating to research and development of new software products are expensed as incurred until technological feasibility has been established. Costs incurred in developing new software are recognised as intangible assets only when technological feasibility studies identify that it is probable that the project will deliver future economic benefits and these benefits can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, licenses and direct labour.

Capitalised development costs have a finite useful life and are carried at cost, less accumulated amortisation and impairment losses. Amortisation is calculated on a systematic basis, based on the future economic benefits over the useful life of the project as follows: Year 1: 0%; Year 2: 40%; Year 3: 40%; Year 4: 20%.

Customer contracts

Customer contracts acquired are carried at their fair value at date of acquisition, less accumulated amortisation. They are amortised on a straight-line basis over the period of their expected benefit, being their finite useful life between three and six years.

Brand Names & Trademarks

Brand Names and Trademarks acquired are carried at their fair

value at date of acquisition, less accumulated amortisation. They are amortised on a straight-line basis over the period of their expected benefit, being their finite useful life between five and seven years.

Software

Software acquired are carried at their fair value at date of acquisition, less accumulated amortisation. They are amortised on a straight-line basis over the period of their expected benefit, being their finite useful life of up to five years.

Customer relationships

Customer relationships acquired are carried at their fair value at date of acquisition, less accumulated amortisation. They are amortised on a straight line basis over the period of their expected benefit, being their finite useful life of ten years.

Patents

Patents acquired are carried at their fair value at date of acquisition, less accumulated amortisation. They are amortised on a straight line basis over the period of their expected benefit, being their finite useful life of five years.

(f) Employee benefits

Short-term obligations

Employee benefits that are expected to be settled within 12 months have been measured at the amounts expected to be paid when the liabilities are settled, plus related on-costs.

The liability for annual leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Short term incentive plans

The Group recognises a liability and an expense for bonuses payable under short term incentive plans. Short term incentive plans are based on the achievement of targeted performance levels that may be set at the beginning of each financial year.

The Group recognises a liability to pay out short term incentives when contractually obliged, based on the achievement of the stated performance levels, or where there is a past practice that has created a constructive obligation.

Other long-term employee benefit obligations

Employee benefits payable later than 12 months have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may satisfy any vesting requirements. Those cash flows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows attributable to employee benefits.

(g) Borrowing costs

All borrowing costs are recognised in profit and loss in the period in which they are incurred.

(h) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that

Notes to the financial statements continued

For the year ended 30 June 2024

an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised, represent the best estimate of the amounts required to settle the obligation at reporting date.

(i) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities 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.

(j) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group at the end of financial year which are unpaid. The amounts are unsecured and are payable as and when they are due. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date.

(k) Revenue recognition

The Group recognises revenue in accordance with AASB 15: Revenue from Contracts with Customers. Revenue is recognised when (or as) the control of goods or services is transferred to the customer for the amount expected to be entitled.

Recurring SaaS revenue is recognised over time, for the duration of the contracted term. The transaction price is determined in the contract and revenue is recognised to the extent that each performance obligation has been satisfied.

Non-recurring revenue including hardware, installation and setup costs is recognised at a point in time when control of the goods or services is transferred to the customer. This is also the case for project-based revenue.

In the case where products and services are sold as a package, such as a design and build, separate revenue elements are identified, unbundled and recognised as each performance obligation is satisfied.

All revenue is stated exclusive of the amount of goods and services tax (GST).

(l) Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration before the consolidated entity has transferred the goods or services to the customer.

(m) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office (ATO). In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the ATO is included with other receivables or payables in the statement of financial position. Cash flows are presented in the cash flow statement on a gross

basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

(n) Foreign currency transactions and balances

Functional and presentation currency

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

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the period-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge. Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income, otherwise the exchange difference is recognised in profit or loss.

Group companies

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

- Assets and liabilities are translated at year end exchange rates prevailing at that reporting date.
- Income and expenses are translated at average exchange rates for the year.
- Retained earnings are translated at the exchange rates prevailing at the date of the transaction. Exchange differences arising on translation of foreign operations with functional currencies other than the Australian dollar are recognised in other comprehensive income and included in the foreign currency translation reserve in the statement of financial position. The cumulative amount of these differences is reclassified into profit or loss in the period in which the operation is disposed of.

(o) Earnings per share

Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, 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.

Diluted earnings per share

Diluted earnings per share adjusts 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 shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(p) Financial instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions to the instrument. For financial assets, this is the date that the Group commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted). Financial instruments (except for trade receivables) are initially measured at fair value plus transaction costs, except where the instrument is classified “at fair value through profit or loss”, in which case transaction costs are expensed to profit or loss immediately. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Trade receivables are initially measured at the transaction price if the trade receivables do not contain a significant financing component or if the practical expedient was applied as specified in AASB 15.63.

Classification and subsequent measurement

Financial liabilities

Financial instruments are subsequently measured at:

- amortised cost; or
- fair value through profit or loss.

A financial liability is measured at fair value through profit and loss if the financial liability is:

- a contingent consideration of an acquirer in a business combination to which AASB 3: Business Combinations applies;
- held for trading; or
- initially designated as at fair value through profit or loss.

All other financial liabilities are subsequently measured at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest expense in profit or loss over the relevant period. The effective interest rate is the internal rate of return of the financial asset or liability. That is, it is the rate that exactly discounts the estimated future cash flows through the expected life of the instrument to the net carrying amount at initial recognition.

A financial liability is held for trading if:

- it is incurred for the purpose of repurchasing or repaying in the near term;
- part of a portfolio where there is an actual pattern of short-term profit taking; or
- a derivative financial instrument (except for a derivative that is in a financial guarantee contract or a derivative that is in an effective hedging relationship).

Any gains or losses arising on changes in fair value are recognised in profit or loss to the extent that they are not part of a designated hedging relationship.

The change in fair value of the financial liability attributable to changes in the issuer’s credit risk is taken to other comprehensive income and are not subsequently reclassified to profit or loss. Instead, they are transferred to retained earnings upon derecognition of the financial liability. If taking the change in credit risk in other comprehensive income enlarges or creates an accounting mismatch, then these gains or losses should be taken to profit or loss rather than other comprehensive income. A financial liability cannot be reclassified.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument.

Financial guarantee contracts are initially measured at fair value (and if not designated as at fair value through profit or loss and do not arise from a transfer of a financial asset) and subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with AASB 9.3.25.3; and
- the amount initially recognised less the accumulative amount of income recognised in accordance with the revenue recognition policies.

Financial assets

Financial assets are subsequently measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss.

Measurement is on the basis of two primary criteria:

- the contractual cash flow characteristics of the financial asset; and
- the business model for managing the financial assets.

A financial asset that meets the following conditions is subsequently measured at amortised cost:

- the financial asset is managed solely to collect contractual cash flows; and
- the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates.

A financial asset that meets the following conditions is subsequently measured at fair value through other comprehensive income:

the contractual terms within the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified dates; the business model for managing the financial assets comprises both contractual cash flows collection and the selling of the financial asset.

Notes to the financial statements continued

For the year ended 30 June 2024

By default, all other financial assets that do not meet the measurement conditions of amortised cost and fair value through other comprehensive income are subsequently measured at fair value through profit or loss.

The Group initially designates a financial instrument as measured at fair value through profit or loss if:

- it eliminates or significantly reduces a measurement or recognition inconsistency (often referred to as “accounting mismatch”) that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases;
- it is in accordance with the documented risk management or investment strategy, and information about the groupings were documented appropriately, so that the performance of the financial liability that was part of a group of financial liabilities or financial assets can be managed and evaluated consistently on a fair value basis;
- it is a hybrid contract that contains an embedded derivative that significantly modifies the cash flows otherwise required by the contract.

The initial designation of the financial instruments to measure at fair value through profit or loss is a one-time option on initial classification and is irrevocable until the financial asset is derecognised.

Equity instruments

At initial recognition, as long as the equity instrument is not held for trading and not a contingent consideration recognised by an acquirer in a business combination to which AASB 3: Business Combinations applies, the Group made an irrevocable election to measure any subsequent changes in fair value of the equity instruments in other comprehensive income, while the dividend revenue received on underlying equity instruments investment will still be recognised in profit or loss.

Regular way purchases and sales of financial assets are recognised and derecognised at settlement date in accordance with the Group’s accounting policy.

Derecognition

Derecognition refers to the removal of a previously recognised financial asset or financial liability from the statement of financial position.

Derecognition of financial liabilities

A liability is derecognised when it is extinguished (ie when the obligation in the contract is discharged, cancelled or expires). An exchange of an existing financial liability for a new one with substantially modified terms, or a substantial modification to the terms of a financial liability is treated as an extinguishment of the existing liability and recognition of a new financial liability.

The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Derecognition of financial assets

A financial asset is derecognised when the holder’s contractual rights to its cash flows expires, or the asset is transferred in such a way that all the risks and rewards of ownership are substantially transferred.

All of the following criteria need to be satisfied for derecognition of a financial asset:

- the right to receive cash flows from the asset has expired or been transferred;
- all risk and rewards of ownership of the asset have been substantially transferred; and
- the Group no longer controls the asset (i.e. the Group has no practical ability to make a unilateral decision to sell the asset to a third party).

On derecognition of a financial asset measured at amortised cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is reclassified to profit or loss.

On derecognition of an investment in equity which was elected to be classified under fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investment revaluation reserve is not reclassified to profit or loss but is transferred to retained earnings.

Impairment

The Group recognises a loss allowance for expected credit losses on:

- financial assets that are measured at amortised cost or fair value through other comprehensive income;
- lease receivables;
- contract assets (eg amounts due from customers under construction contracts);
- loan commitments that are not measured at fair value through profit or loss; and
- financial guarantee contracts that are not measured at fair value through profit or loss.

Loss allowance is not recognised for:

- financial assets measured at fair value through profit or loss; or
- equity instruments measured at fair value through other comprehensive income.

Expected credit losses are the probability-weighted estimate of credit losses over the expected life of a financial instrument.

A credit loss is the difference between all contractual cash flows that are due and all cash flows expected to be received, all discounted at the original effective interest rate of the financial instrument.

The Group uses the following approaches to impairment, as applicable under AASB 9: Financial Instruments:

- the general approach, and
- the simplified approach

General approach

Under the general approach, at each reporting period, the Group assesses whether the financial instruments are credit-impaired, and if:

- the credit risk of the financial instrument has increased significantly since initial recognition, the Group measures the loss allowance of the financial instruments at an amount equal to the lifetime expected credit losses; or
- there is no significant increase in credit risk since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

Simplified approach

The simplified approach does not require tracking of changes in credit risk at every reporting period, but instead requires the recognition of lifetime expected credit loss at all times. This approach is applicable to:

- trade receivables or contract assets that result from transactions within the scope of AASB 15: Revenue from Contracts with Customers and which do not contain a significant financing component; and
- lease receivables.

In measuring the expected credit loss, a provision matrix for trade receivables was used, taking into consideration various data to get to an expected credit loss (ie diversity of customer base, appropriate groupings of historical loss experience, etc).

Recognition of expected credit losses in financial statements

At each reporting date, the Group recognises the movement in the loss allowance as an impairment gain or loss in the statement of profit or loss and other comprehensive income.

The carrying amount of financial assets measured at amortised cost includes the loss allowance relating to that asset.

Assets measured through other comprehensive income are recognised at fair value, with changes in fair value recognised in other comprehensive income. Amounts in relation to change in credit risk are transferred from other comprehensive income to profit or loss at every reporting period.

For financial assets that are unrecognised (eg loan commitments yet to be drawn, financial guarantees), a provision for loss allowance is created in the statement of financial position to recognise the loss allowance.

(q) Impairment of assets

At the end of 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 recognised immediately in the profit or loss.

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.

(r) Leases

The Group as lessee

At inception of a contract, the Group assesses if the contract contains or is a lease. If there is a lease present, a right-of-use asset and a corresponding lease liability is recognised by the Group where the Group is a lessee. However, all contracts that are classified as short-term leases (lease with remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight-line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

Where a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

(s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision makers. These include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets (primarily the Company's headquarters), head office expenses, and income tax assets and liabilities. The chief operating decision makers has been identified as the Board of Directors.

Notes to the financial statements continued

For the year ended 30 June 2024

(t) Comparative figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group has retrospectively applied an accounting policy, made a retrospective restatement or reclassified items in its financial statements, an additional statement of financial position as at the beginning of the earliest comparative period will be disclosed.

(u) Contributed equity

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

(v) Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised against the expense over the periods necessary to match the grant to the costs to the compensating expense.

(w) Critical accounting estimates and judgments

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

The resulting accounting estimates will, by definition, seldom equal the related actual results.

The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Impairment of intangible assets

The Group assesses impairment at each reporting date by evaluating conditions specific to the Group that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined. Value-in-use calculations are performed in assessing recoverable amounts which incorporate a number of key estimates.

Should the software development expenditure not meet the requirements set out in Note 3(f), an impairment loss would be recognised up to the maximum carrying value of intangible assets at 30 June 2024 of \$10,462,647.

R&D tax incentive

In prior periods, the Group qualified for the R&D tax incentive offset. However, in FY23 as the Group's total revenue has exceeded the \$20 million ATO threshold, this resulted in the Company no longer being eligible to receive the R&D tax incentive as a cash payment.

Provision for Impairment of Trade Receivables

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is raised when there is objective evidence that the group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation and default or delinquency in payments are considered indicators that the trade receivable may be impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial.

(x) New and amended accounting policies adopted by the Group

There is no new and amended accounting policies adopted by the Group in the current financial year.

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Notes to the financial statements continued

For the year ended 30 June 2024

4. Operating segments

The Group operates predominantly in three geographical segments, being the development and commercialisation of data analytics, marketing and advertising services to its customers in APAC, Americas and EMEA. The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

FY24	APAC	Americas	EMEA	Total
Revenue	10,546,958	6,707,398	6,851,000	24,105,356
Other income	58,334	5,679	(41,920)	22,092
Total revenue	10,605,292	6,713,077	6,809,080	24,127,448
Segment net profit	7,122,718	4,529,733	4,626,713	16,279,164
Employee benefits expense				(13,348,230)
Depreciation and amortisation expenses				(4,542,710)
Other Expenses				(4,885,649)
Finance Costs				(555,430)
Loss before tax				(7,052,855)
Income tax benefit				(365,075)
Loss for the year				(7,417,929)
FY23	APAC	Americas	EMEA	Total
Revenue	10,846,532	6,703,844	5,974,403	23,524,779
Other income	94,038	-	-	94,038
Total revenue	10,940,570	6,703,844	5,974,403	23,618,817
Segment net profit	8,088,348	4,940,990	4,403,364	17,432,702
Employee benefits expense				(15,183,940)
Depreciation and amortisation expenses				(4,229,254)
Other Expenses				(7,394,242)
Finance Costs				(168,232)
Loss before tax				(9,542,966)
Income tax benefit				(999,281)
Loss for the year				(10,542,247)

5. Revenue and other income

	2024 \$	2023 \$
Revenue at a point in time (non-recurring)	7,588,145	7,598,879
Revenue over a period of time (recurring)	16,517,211	15,925,900
Revenue from contracts with customers ⁽¹⁾	24,105,356	23,524,779
(1) Disaggregation of revenue by geographical markets is disclosed in Note 4 to the financial statements.		
R&D Government grant	(43,439)	-
Export market development grant	-	36,600
Interest income	65,531	57,438
Total other income	22,092	94,038
Total revenue	24,127,448	23,618,817

6. Expenses

	Note	2024 \$	2023 \$
Employee			
Salaries and related expenses (including superannuation)		12,529,751	14,098,630
Other employment costs		818,479	1,085,310
Total employee benefits expense		13,348,230	15,183,940
Depreciation and amortisation			
Fixed assets depreciation	12	309,729	270,150
Intangible amortisation	14	4,232,981	3,959,104
Total depreciation and amortisation expenses		4,542,710	4,229,254
Rental expense relating to operating leases			
Minimum lease payments		-	-
Rent recovery from sub-lease agreements		-	-
Net rental expense relating to operating leases		-	-
Net foreign exchange (gains)/losses		(29,057)	(61,909)
Provision for doubtful debts		21,825	62,398
Finance costs			
Interest expense		555,430	168,232

Notes to the financial statements continued

For the year ended 30 June 2024

7. Income tax

	2024 \$	2023 \$
(a) Income tax		
Current tax	-	15,063
Deferred tax	365,075	984,218
Income tax (benefit)	365,074	999,281
(b) Numerical reconciliation of income tax benefit to prima facie income tax payable		
Loss from ordinary activities before income tax expense	(7,052,855)	(9,542,966)
Tax at the Australian rate of 25% (2023:25%)	(2,515,741)	(2,740,875)
Tax effect amounts which are not deductible / (taxable) in calculating taxable income:		
R&D write back/(tax incentive)	-	801,765
Difference in tax rates	26,226	143
Benefit of tax losses/ timing differences not recognised	2,422,484	1,939,782
Deferred tax liability derecognised	-	(91,388)
Other non-allowable items	432,106	1,089,854
Income tax (benefit)	365,075	999,281
(c) Current tax liabilities		
Income tax payable in overseas jurisdictions	64,168	22,595
(d) Deferred tax liabilities		
Deferred tax liabilities	-	-
Franking credits		
Franking credits available at the reporting date based on a tax rate of 25% (2023:25%)	-	-

The amount of deductible temporary differences and unused tax losses for which no deferred tax assets have been brought to account in the period are as follows:

- temporary differences: \$4,015,313 (2023: \$4,361,277)
- tax losses: operating losses \$28,979,305 (2023: \$22,169,945)
- tax losses: capital losses \$16,911 (2023: \$16,911)

The benefits of the above temporary differences and unused tax losses will only be realised if the conditions for deductibility set out in Note 3(c) occur. These amounts have no expiry date.

Beonic Limited and its wholly-owned Australian entities elected to form an income tax consolidated group as of 20 November 2014. The accounting policy on implementation of the income tax consolidation legislation is set out in Note 3(c).

8. Cash and cash equivalents

	2024 \$	2023 \$
Current		
Cash at bank and on hand	2,730,316	3,788,281
Total cash and cash equivalents	2,730,316	3,788,281

9. Trade and other receivables

	2024 \$	2023 \$
Current		
Trade receivables	3,397,738	3,891,240
Provision for expected credit losses	(21,825)	(62,398)
Net trade receivables	3,375,913	3,828,842
Other debtors	425,116	871,864
Total current trade and other receivables	3,801,030	4,700,706

(a) Expected credit losses

The Group applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The loss allowance provision as at 30 June 2024 has been determined as follows; the expected credit losses also incorporates forward looking information.

2024	Current	>30 days	>60 days	>90 days	Total
Expected loss rate	0%	0%	0%	59%	1%
Gross carrying amount	2,773,881	547,459	39,519	39,879	3,397,738
Loss allowing provision	\$0	\$0	\$0	21,825	21,825
2023	Current	>30 days	>60 days	>90 days	Total
Expected loss rate	0%	0%	10%	12%	2%
Gross carrying amount	\$3,337,739	\$338,415	\$31,806	\$183,280	\$3,891,240
Loss allowing provision	\$0	\$0	\$0	\$62,398	\$62,398

Trade receivables balance includes some customers with extended payment terms of over 90 days as well as a few customers with a history of late payment. In both cases the company expects to receive all payments in full or have been paid after the reporting period.

10. Inventories

	2024 \$	2023 \$
Current		
Inventories	434,765	353,501
Total Inventories	434,765	353,501

Notes to the financial statements continued

For the year ended 30 June 2024

11. Other assets

	2024 \$	2023 \$
Current		
Prepayments	991,397	883,256
Security Deposits	46,637	10,045
Other	805,318	282,557
Non Current		
Prepayments	-	73,517
Total other assets	1,843,352	1,249,376

12. Fixed Assets

	2024 \$	2023 \$
Non-current		
Fixed Assets – at cost	3,770,369	3,790,089
Accumulated depreciation	(3,133,442)	(2,924,512)
Carrying value of fixed assets	636,927	865,577
Total carrying value of fixed assets	636,927	865,577

	Office and Computer Equipment	Infrastructure as a Service Equipment	Total \$
Balance at 1 July 2022	153,069	208,441	361,510
Additions	220,092	554,124	774,217
Depreciation	(83,180)	(186,970)	(270,150)
Balance at 30 June 2023	289,981	575,595	865,577
Balance at 1 July 2023	289,981	575,595	865,577
Additions	178,507	(97,428)	81,079
Depreciation	(191,419)	(118,310)	(309,729)
Balance at 30 June 2024	277,069	359,857	636,927

13. Rights of use assets

	2024 \$	2023 \$
Non Current		
Right of use assets - at cost	781,823	-
Accumulated depreciation	(117,274)	-
Total carrying value of right of use assets	664,550	-

Additions to the right of use assets during the year was \$781,823 and depreciation charged to profit or loss was \$117,274. The right of use asset is in respect of a lease of the Sydney head office. The lease term is 3 years including an option to extend for a further 2 years.

14. Intangible assets

	2024 \$	2023 \$
Non-current		
Software development – at cost	20,816,060	18,255,238
Accumulated amortisation	(15,434,970)	(12,981,199)
Carrying value of software development	5,381,089	5,274,038
Non-current		
Customer Contracts – at cost	2,250,176	2,250,176
Accumulated amortisation	(1,655,179)	(1,428,507)
Carrying value of customer contracts	594,997	821,669
Non-current		
Brand Names – at cost	3,197,342	3,197,342
Accumulated amortisation	(2,140,973)	(1,624,774)
Carrying value of brand names	1,056,369	1,572,568
Non-current		
Software – at cost	5,349,965	5,249,637
Accumulated amortisation	(4,628,392)	(4,057,236)
Carrying value of software	721,573	1,192,401
Non-current		
Customer relationships – at cost	4,282,765	4,282,765
Accumulated amortisation	(1,651,669)	(1,130,457)
Carrying value of customer relationships	2,631,096	3,152,308
Non-current		
Patents – at cost	221,494	221,494
Accumulated amortisation	(143,971)	(99,672)
Carrying value of patents	77,523	121,822
Total carrying value of intangible assets	10,462,647	12,134,806

Notes to the financial statements continued

For the year ended 30 June 2024

	Software development	Customer contracts	Brand names	Software relationships	Customer	Patents	Total
Balance as at 1 July 2022	4,721,889	1,112,198	2,052,417	1,669,791	3,580,585	166,120	13,303,000
Additions/(Disposals)	2,790,910	-	-	-	-	-	2,790,910
Amortisation	(2,238,761)	(290,529)	(479,849)	(477,390)	(428,277)	(44,299)	(3,959,104)
Balance at June 30 2023	5,274,038	821,669	1,572,568	1,192,401	3,152,308	121,821	12,134,806
Balance as at 1 July 2023	5,274,038	821,669	1,572,568	1,192,401	3,152,308	121,821	2,134,806
Additions	2,560,822	-	-	100,328	-	-	2,661,150
Amortisation	(2,453,771)	(226,673)	(516,199)	(571,155)	(521,212)	(44,299)	(4,333,308)
Balance at June 30 2024	5,381,089	594,996	1,056,369	721,574	2,631,096	77,522	10,462,647

The group's intangible assets have been assessed as one cash generating unit due to the interconnected way the company's products and services are sold and supplied to its customers. Services are commonly bundled and sold together as an all-inclusive package. Accordingly, these assets are not deemed to generate individually separate cash inflows and outflows.

The recoverable amount of the intangible assets is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a five year period with the period extending beyond five years extrapolated using an estimated growth rate. The cash flows are discounted using the yield of five year weighted average cost of capital (WACC) at the beginning of the budget period.

The following key assumptions were used in the value-in-use calculations:

	Growth Rate	Discount Rate
Revenue: Year 1	6.0%	20.0%
Revenue: Years 2-5	8.0%	20.0%

These cashflow projections use historical weighted average growth rates to project revenue. Costs are calculated taking into account historical gross margins as well as estimated weighted average inflation rates over the period, which are consistent with inflation rates applicable to the group. Discount rates are pre-tax and are adjusted to incorporate risks associated with a particular segment.

Sensitivity analysis

The following tables illustrates sensitivities to the Group's exposures to changes in key assumptions used in the cash flow projections:

Lower case	Growth Rate	Discount Rate
Revenue: Year 1	7.0%	20.0%
Revenue: Years 2-5	10.0%	20.0%
Upper case	Growth Rate	Discount Rate
Revenue: Year 1	5.0%	20.0%
Revenue: Years 2-5	6.0%	20.0%

The sensitivity analysis conducted by management indicates that under the lower case scenario there is headroom between the present value of future cash flows and the carrying value of the intangible assets.

15. Trade and other payables

	2024	2023
	\$	\$
Current		
Trade payables	4,316,303	4,139,921
Sundry payables	9,923	406,339
Total trade and other payables	4,326,226	4,546,261

16. Borrowings

	2024	2023
	\$	\$
Current		
Borrowings	527,129	2,064,096
Non-current		
Borrowings	4,740,809	
Total borrowings	5,267,938	2,064,096

During the year, the Company secured a loan facility with Blue Venshures SPV 1 LLC totaling USD \$3.1 million (~AUD \$4.7 million) commencing from 25 January 2024, and ending on 24 January 2026. The loan carries a 15% annual interest rate, with payments due quarterly. The principal amount is repayable at the conclusion of the two-year term. No financial conditions are attached. This loan replaces the loan facility of AUD\$1.8 million previously provided by Export Finance Australia. The current drawdown value is \$4,740,809 and \$175,280 is the accrued interest expense. In addition to the \$4.7 million loan, there is a short term loan from Director William Tucker, also with a 15% annual interest rate, provided to assist with the cash management of large capital works projects. The current drawdown value is \$350,000 and \$1,849 is the accrued interest expense.

17. Provisions

	2024	2023
	\$	\$
Current		
Employee benefits	1,562,913	1,460,228
Non-current		
Employee benefits	265,433	497,785
Total provisions	1,828,346	1,958,014

18. Lease liabilities

	2024	2023
	\$	\$
Current		
Lease liabilities	115,626	-
Non-current		
Lease liabilities	582,666	-
Total lease liabilities	698,292	-

	2024	2023
	\$	\$
Future lease payments		
Future lease payments are due as follows		
Within one year	115,626	-
One to five years	582,666	-
More than five years	-	-
Total lease liabilities	698,292	-

Notes to the financial statements continued

For the year ended 30 June 2024

19. Contract liabilities

	2024	2023
	\$	\$
Current		
Contract liabilities	6,646,838	6,191,739
Non-current		
Contract liabilities	1,039,848	1,248,468
Total contract liabilities	7,686,686	7,440,207

Contract liabilities, previously disclosed as deferred revenues, arise when the company has received advance payments from customers for goods or services. Upon the delivery or performance of these goods or services and in accordance with AASB 15: Revenue from Contracts with Customers, see notes to financial statements section, Note 3 (m) Revenue Recognition, the value will be recognised in the profit and loss statement once performance obligations have been satisfied. This liability is effectively a non-cash liability, given that the advance payments are non-refundable, unless stipulated under exceptional contractual conditions.

20. Contributed equity

(a) Share capital

	30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
	Number	Number	\$	\$
Ordinary shares	497,769,183	431,788,162	52,615,654	50,342,228
Total share capital				
	Date	Number	Unit price	\$
Reconciliation to 30 June 2023:				
Balance at 1 July 2022		438,328,726		49,395,316
Equity raising costs (net of tax)				-
Movements in ordinary shares:				
Issue of ESP Shares	13-Oct-22	1,000,000	\$0.046	-
Conversion of ESP shares to ordinary shares	14-Dec-22	800,000	\$0.086	69,056
Conversion of ESP shares to ordinary shares	14-Dec-22	(800,000)	\$0.000	-
Conversion of ESP shares to ordinary shares	14-Dec-22	3,400,000	\$0.111	378,080
Conversion of ESP shares to ordinary shares	14-Dec-22	(3,400,000)	\$0.000	-
ESP shares buy-back	30-Dec-22	(4,100,000)	\$0.000	-
Conversion of EOP options to ordinary shares	11-Jan-23	1,304,478	\$0.165	215,559
Conversion of EOP options to ordinary shares	30-Jan-23	2,069,773	\$0.155	320,280
FPO shares buy-back	24-Apr-23	(1,864,815)	\$0.000	-
ESP shares buy-back	24-Apr-23	(2,600,000)	\$0.000	-
ESP shares buy-back	27-Jun-23	(1,050,000)	\$0.000	-
ESP shares buy-back	29-Jun-23	(1,300,000)	\$0.000	-
Prior year adjustment	30-Jun-23	-	\$0.000	(36,063)
Balance at 30 June 2023		431,788,162		50,342,228

Reconciliation to 30 June 2024:

Balance at 1 July 2023		431,788,162		50,342,228
Equity raising costs (net of tax)				(206,664)
Movements in ordinary shares:				
ESP Shares buy-back	29-Dec-23	(2,500,000)	\$0.000	-
Conversion of ESP shares to ordinary shares	17-Jan-24	4,806,780	\$0.225	1,079,256
Issue of FPO Shares	27-Jun-24	63,674,241	\$0.022	1,400,833
Balance at 30 June 2024		497,769,183		52,615,654

(b) Ordinary shares

Ordinary shares have the right to receive dividends as declared, and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held. Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

(c) Employee Share Plan (ESP)

Information relating to the Employee Share Plan, including details of shares issued under the plan, is set out in Note 26.

(d) Options over unissued ordinary shares

The Company granted the following options to senior executives, convertible into the same number of ordinary shares in the Company. The Executive Option Plan (EOP) was approved by shareholders on 28 November 2018 and refreshed on 23 November 2021 with a ten-year expiry date from date of issue. The fair value of the options over the shares is recognised as an employee benefit expense with a corresponding increase in equity. The fair value is measured and recognised at the respective grant dates. Options granted under the EOP in the year are as follows:

Number of options	Grant date	Option consideration	Expiry date	Exercise price per option
23,206,018	1 December 2020	\$0.00	1 December 2030	\$0.01
5,620,532	6 August 2020	\$0.00	6 August 2021	\$0.01
20,712,421	25 November 2019	\$0.00	25 November 2029	\$0.01
1,892,282	21 January 2019	\$0.00	21 January 2029	\$0.01
16,943,289	28 December 2018	\$0.00	28 December 2028	\$0.01
47,799	13 October 2022	\$0.00	13 October 2032	\$0.01

The fair value at grant date is determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the options, the impact of dilution, the non-tradeable nature of the options, the share price at grant date, expected price volatility of the underlying shares, the expected dividend yield and the risk-free interest rate for the term of the options.

Notes to the financial statements continued

For the year ended 30 June 2024

21. Equity – reserves

(a) Movements

	2024 \$	2023 \$
Share based payment reserve movements		
Balance at the beginning of the year	11,779,795	9,900,012
Share based payment expense	(947,287)	1,879,783
Balance at the end of the year	10,832,508	11,779,795
Share option reserve movements		
Balance at the beginning of the year	51,424	51,424
Share option expense	-	-
Balance at the end of the year	51,424	51,424
Foreign currency translation reserve movements		
Balance at the beginning of the year	(913,693)	(905,597)
Currency translation differences arising during the year	(267,351)	(8,096)
Balance at the end of the year	(1,181,045)	(913,693)
Total reserves	9,702,887	10,917,526

(b) Nature and purpose of reserves

Share based payments reserve

The share based payments reserve represents the value of the ESP & EOP share grants to employees under the Company's Share Plans.

Share option reserve

The share option reserve represents the fair value of options granted over unissued ordinary shares in the Company.

Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of foreign controlled subsidiaries.

22. Financial risk management

Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including currency risk), credit risk and liquidity risk.

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. Risk management policies are established to identify and analyse the risks faced by the Group to set appropriate risk limits and controls, and to monitor risks and adhere to limits. Risk management is carried out by senior executives under policies approved by the Board of Directors. These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units.

The Group holds the following financial instruments:

	Note	2024 \$	2023 \$
Financial Assets			
Cash and cash equivalents	8	2,730,316	3,788,281
Trade and other receivables	9	3,801,030	4,700,706
R&D tax incentive receivable		-	-
Total financial assets		6,531,346	8,488,986
Financial Liabilities			
Trade and other payables	15	4,326,226	4,546,261
Borrowings	16	5,267,938	2,064,096
Total financial liabilities		9,594,164	6,610,357

The carrying value of the assets and liabilities disclosed in the table above closely approximates or equals their fair value. The carrying amounts of trade receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

(a) Market risk

Foreign currency risk

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Foreign currency is translated using the average exchange rates at the dates of transactions each month and at the end of each month the balance sheet is restated using the end of month spot rate. To minimise risk, the Group's policy is, when available, to hold a natural hedge on any foreign currency, being that any receipts paid to the Group will be held in the same foreign currency and then later used to settle any expenditure in those foreign entities.

Interest rate risk

The Group is not exposed to any significant interest rate risk, given the level of borrowings drawn down at balance date.

(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers.

Other credit risk arises from cash and cash equivalents, deposits with banks and other financial institutions, security deposits, other receivables and GST receivable from the ATO.

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

Credit risk is managed by a risk assessment process for all customers and counterparties, which takes into account past experience. A doubtful debt provision of \$21,825 has been recognised during the financial year (2023: \$62,398).

Notes to the financial statements continued

For the year ended 30 June 2024

(c) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, where possible, that it will always have sufficient liquidity to meet its liabilities when due.

Ultimate responsibility for liquidity management rests with the Directors. The Group ensures that, where possible, it has sufficient cash on demand to meet expected net cash outflows, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

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

Financing arrangements

During the year, the Company secured a loan facility with Blue Venshures SPV 1 LLC totaling USD \$3.1 million (~AUD \$4.7 million) commencing from 25 January 2024, and ending on 24 January 2026. The loan carries a 15% annual interest rate, with payments due quarterly. The principal amount is repayable at the conclusion of the two-year term. No financial conditions are attached. The current drawdown value is \$4,740,809 and \$175,280 is the accrued interest expense. In addition to the \$4.7 million loan, there is a short term loan from Director William Tucker, also with a 15% annual interest rate, provided to assist with the cash management of large capital works projects. The current drawdown value is \$350,000 and \$1,849 is the accrued interest expense.

As of 19 August 2024, the Company had closed on \$1.4m of a \$5.5m committed equity financing. The remaining \$4.1m received shareholder approval at the EGM held on 23 August 2024.

Maturities of financial liabilities

The following table details the Group's remaining contractual maturity for its financial instrument liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The table includes both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

	1 year or less \$	1 to 2 years \$	2 to 5 years \$	Over 5 years \$
FY 2024				
Non-derivatives				
Trade and other payables	4,326,226	-	-	-
Borrowings	527,129	4,740,809	-	-
Total	4,853,355	4,740,809	-	-
FY 2023				
Non-derivatives				
Trade and other payables	4,546,261	-	-	-
Borrowings	2,064,096	-	-	-
Total	6,610,357	-	-	-

Trade and other payables are payable as and when they are due. The cash flows in the maturity analysis above are not expected to occur significantly earlier than disclosed.

(d) Capital management

The Board's aim is to maintain a strong capital base so as to maintain investor, creditor and market confidence to sustain future development of the business and increase shareholder value. The Board ensures the Group has sufficient capital as required for working capital purposes. There were no changes to the Group's approach to capital management during the year. The Group is not subject to externally imposed capital requirements.

23. Remuneration of auditors

During the year, the following fees were accrued or paid for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2024 \$	2023 \$
Hall Chadwick		
Audit and review of financial reports	114,500	108,000
Tax compliance services	8,000	8,000
Total	122,500	116,000

24. Contingent liabilities

There are no other contingent liabilities as at 30 June 2024 (30 June 2023: nil).

25. Commitments for expenditure

There are no commitments for expenditure as at 30 June 2024 (30 June 2023: nil).

26. Share based payments

(a) Employee Share Plan (ESP)

During the year ended 30 June 2016, the Company established a share based payment plan, the Employee Share Plan (ESP) to assist the Company in retaining and attracting current and future employees by providing them with the opportunity to own shares in the Company. The plan was refreshed at the 2018 AGM on 29 November 2018 and again at the 2021 AGM on 23 November 2021.

The key terms of the ESP are as follows:

- the Board may invite a person who is employed or engaged by or holds an office with the Group (whether on a full or part-time basis) and who is declared by the Board to be eligible to participate in the ESP from time to time (Eligible Employee) to apply for fully paid ordinary shares under the plan from time to time (ESP Shares);
- invitations to apply for ESP Shares are to be made on the basis of the market price per share defined as the volume weighted average price at which the Company's shares have traded during the 30 days immediately preceding the date of the invitation;
- invitations to apply for ESP Shares under the ESP will be made on a basis determined by the Board (including as to the conditionality on the achievement of any key performance indicators) and notified to Eligible Employees in the invitation, or if no such determination is made by the Board, on the basis that ESP Shares will be subject to a 3 year vesting period, with:
 - 33% of ESP Shares applied for vesting on the date that is the first anniversary of the issue date of the ESP Shares;
 - 33% of ESP Shares applied for vesting on the date that is the second anniversary of the issue date of the ESP Shares; and
 - 34% of ESP Shares applied for vesting on the date that is the third anniversary of the issue date of the ESP Shares.
- Eligible Employees who accept an invitation (ESP Participants) may be offered an interest free loan from the Company to finance the whole of the purchase of the ESP Shares they are invited to apply for (ESP Loan). ESP Loans will have a term of 5 years and become repayable in full on the earlier of:
 - the fifth anniversary of the issue date of the ESP Shares; and
 - if the ESP Participant ceases to be an Eligible Employee, either:
 - the fifth anniversary of the issue date of the ESP Shares, if the Eligible Employee is a good leaver (as defined in the ESP); or
 - that date of cessation, if the Eligible Employee is a bad leaver (as defined in the ESP).
 - if the ESP Participant does not repay the outstanding ESP Loan, or it notifies the Company that it cannot, then such number of ESP Shares that equal by value (using the price at which the ESP Shares were issued) the outstanding amount of the ESP Loan will become the subject of a buy-back notice from the Company which the ESP Participant must accept. The buy-back of such number of ESP Shares will be considered full and final satisfaction of the ESP Loan and the Company will not have any further recourse against the ESP Participant;

Notes to the financial statements continued

For the year ended 30 June 2024

- any dividends received by the ESP Participant whilst the whole or part of the ESP Loan remains outstanding must be applied to the repayment of the ESP Loan;
- the maximum number of ESP Shares for which invitations may be issued under the ESP together with the number of ESP Shares still to be issued in respect of already accepted invitations and that have already been issued in response to invitations in the previous 5 years (but disregarding ESP Shares that are or were issued following invitations to non-residents, that did not require a disclosure document under the Corporations Act, or that were issued under a disclosure document under the Corporations Act) must not exceed 10% of the total number of ordinary shares on issue in the Company at the time the invitations are made;
- in the event of a corporate reconstruction, the Board will adjust, subject to the Listing Rules (if applicable), any one or more of the maximum number of shares that may be issued under the ESP (if applicable), the subscription price, the buy-back price and the number of ESP Shares to be vested at any future vesting date (if applicable), as it deems appropriate so that the benefits conferred on ESP Participants after a corporate reconstruction are the same as the benefits enjoyed by the ESP Participants before the corporate reconstruction. On conferring the benefit of any corporate reconstruction, any fractional entitlements to shares will be rounded down to the nearest whole share;
- ESP Participants will continue to have the right to participate in dividends paid by the Company despite some or all of their ESP Shares not having vested yet or being subject to an ESP Loan. If an ESP Loan has been made to the ESP Participant, then any dividend due must first be applied to reducing any outstanding ESP Loan amount applicable to the ESP Shares on which the dividend is paid;
- ESP Shares which have not vested and/or are subject to repayment of the ESP Loan will be restricted (escrowed) from trading;
- the Company may buy-back at the issue price any ESP Shares which:
 - have not vested, or are incapable of vesting at any time (including as a result of the ESP Participant failing to meet any key performance indicators on which vesting of ESP Shares is conditional); or
 - remain in escrow and/or are the subject of an ESP Loan, on the occurrence of:
 - the ESP Participant ceasing to be an Eligible Employee (unless the Board, in its sole and absolute discretion determines otherwise, subject to any conditions that it may apply, including the repayment of any outstanding ESP Loan); or
 - the expiration of the term of the ESP Loan.
- any bonus securities issued in relation to ESP Shares which remain unvested or are subject to an ESP Loan which becomes repayable in full will be the subject of a buy-back by the Company at the issue price for no consideration;
- on the death or permanent disability of an ESP Participant, all ESP Shares held by the ESP Participant or their estate will immediately vest subject to the repayment of any outstanding ESP Loan by the curator, executor or nominated beneficiary(ies) (as the case may be) within 30 days of their appointment (or such longer period as the Company in its discretion may allow). Failing such repayment, the Company will buy-back all ESP Shares in respect of which there is an outstanding ESP Loan;
- the rules of the ESP and any amendment to the rules of the ESP must be in accordance with the Listing Rules and the Corporations Act;
- if, while the Company's shares are traded on the ASX or any other stock exchange, there is any inconsistency between the terms of the ESP and the Listing Rules, the Listing Rules will prevail; and
- the ESP is governed by the laws of the State of New South Wales, Australia.

(b) ESP share grants

Set out below are summaries of ESP shares granted and issued under the plan:

Grant date	Exercise Price (WAP)	Balance at start of year	Granted/ issued	Converted to ordinary shares	Forfeited / cancelled	Balance at end of year	Balance of vested ESP shares	Balance of unvested ESP shares
FY 2024								
13-Oct-22	\$0.046	1,000,000	-	-	-	1,000,000	500,000	500,000
23-Dec-21	\$0.100	2,000,000	-	-	-	2,000,000	2,000,000	-
1-Oct-21	\$0.112	400,000	-	-	-	400,000	400,000	-
7-Jan-21	\$0.210	800,000	-	-	-	800,000	800,000	-
11-May-20	\$0.131	600,000	-	-	-	600,000	600,000	-
25-Nov-19	\$0.160	4,800,000	-	-	-	4,800,000	4,800,000	-
28-Dec-18	\$0.149	2,500,000	-	-	(2,500,000)	-	-	-
Total		12,100,000	-	-	-	9,600,000	9,100,000	500,000
FY 2023								
13-Oct-22	\$0.046	-	1,000,000	-	-	1,000,000	250,000	750,000
23-Dec-21	\$0.100	2,900,000	-	-	(900,000)	2,000,000	2,000,000	-
1-Oct-21	\$0.112	600,000	-	-	(200,000)	400,000	400,000	-
7-Jan-21	\$0.210	1,700,000	-	-	(900,000)	800,000	800,000	-
11-May-20	\$0.131	800,000	-	-	(200,000)	600,000	600,000	-
25-Nov-19	\$0.160	6,300,000	-	-	(1,500,000)	4,800,000	4,800,000	-
28-Dec-18	\$0.149	3,200,000	-	-	(700,000)	2,500,000	2,500,000	-
8-Jun-18	\$0.147	800,000	-	-	(800,000)	-	-	-
1-Feb-18	\$0.156	200,000	-	-	(200,000)	-	-	-
13-Dec-17	\$0.073	6,000,000	-	(3,400,000)	(2,600,000)	-	-	-
1-Oct-17	\$0.058	800,000	-	(800,000)	-	-	-	-
22-Dec-16	\$0.065	1,050,000	-	-	(1,050,000)	-	-	-
Total		24,350,000	1,000,000	(4,200,000)	(9,050,000)	12,100,000	11,350,000	750,000

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

Notes to the financial statements continued

For the year ended 30 June 2024

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(c) Executive Option Plan (EOP)

During the financial year ended 30 June 2019, the Company established a share based option plan, the Executive Option Plan (EOP) seeks to closely align the interest of eligible senior executives participating in the EOP (Executive Participants) with those of investors and to ensure that the EOP Participants are motivated and rewarded for performance, shareholder return and compensated for remuneration in lieu of cash payments in line with the economic value created. The plan was refreshed at the 2021 AGM on 23 November 2021.

The options under the EOP (EOP Options) will entitle their holder to receive ordinary shares in the capital of the Company (EOP Shares) upon satisfaction of certain vesting conditions as determined by the Board from time to time. The key terms of the EOP are as follows:

EOP Options provide an opportunity to acquire EOP Shares subject to the payment of the exercise price set at the time of the grant of the EOP Options (Exercise Price) and EOP Participants can continue to hold the EOP Options after they have vested.

EOP Options will vest upon notification by the Company that the EOP Options have vested.

EOP Options enable the participant to gain the benefit of any excess of the Share price over the Exercise Price paid. In the event the Share price is equal to or below the Exercise Price, the EOP Options would be of no value.

In order for the EOP Options to vest, the Vesting Conditions set out in the invitation, or otherwise determined by the Board, for the grant of the EOP Options must have been satisfied. In addition, at the time of vesting, a participant must not have engaged in serious and wilful misconduct, wilful disobedience, gross negligence or incompetence, insubordination, disqualification under Part 2D.6 of the Corporations Act 2001 (Cth), a serious breach of an employment agreement and behaviour which damages the business or reputation of the Company (Proscribed Conduct)

If the participant engages in Proscribed Conduct, then the EOP Options will be forfeited.

The EOP Options will not be quoted nor will they carry an entitlement to dividends or a right to vote at General Meetings of the Company.

The invitation to participate in the EOP will specify the number of EOP Options to be granted. If Vesting Conditions are not met, then unvested EOP Options will be forfeited. If the relevant targets are achieved, the EOP Options will vest and may be exercised, by payment of the Exercise Price. This can be done at any time up to ten years after the grant of the EOP Options.

(d) EOP share grants

Set out below are summaries of EOP shares granted and issued under the plan:

Grant date	Exercise Price (WAP)	Balance at start of year	Granted/ issued	Exercised	Forfeited / cancelled	Balance at end of year	Balance of vested EOP shares	Balance of unvested EOP shares
FY 2024								
13-Oct-22	\$0.044	47,799	-	-	-	47,799	47,799	-
24-Dec-21	\$0.099	20,000	-	-	-	20,000	20,000	-
1-Dec-20	\$0.249	22,744,995	-	(3,000,000)	(2,000,000)	17,744,995	11,786,540	5,958,455
6-Aug-20	\$0.139	2,622,150	-	-	-	2,622,150	2,622,150	-
25-Nov-19	\$0.157	16,193,371	-	(1,806,780)	(1,607,594)	12,778,997	11,260,009	1,518,988
21-Jan-19	\$0.151	1,680,000	-	-	-	1,680,000	1,680,000	-
28-Dec-18	\$0.151	9,966,444	-	-	(1,167,786)	8,798,658	7,724,832	1,073,826
Total		53,274,759	-	(4,806,780)	(4,775,380)	43,692,599	35,141,330	8,551,269
FY 2023								
13-Oct-22	\$0.044	-	47,799	-	-	47,799	47,799	-
24-Dec-21	\$0.099	20,000	-	-	-	20,000	20,000	-
1-Dec-20	\$0.249	22,744,995	-	-	-	22,744,995	11,659,957	7,958,455
6-Aug-20	\$0.139	3,220,723	-	-	(598,573)	2,622,150	2,622,150	-
25-Nov-19	\$0.157	18,283,045	-	(2,089,674)	-	16,193,371	13,951,760	3,126,582
21-Jan-19	\$0.151	1,892,282	-	(212,282)	-	1,680,000	1,680,000	-
28-Dec-18	\$0.151	11,038,739	-	(1,072,295)	-	9,966,444	9,966,444	2,241,612
Total		57,199,784	47,799	(3,374,251)	(598,573)	53,274,759	39,948,110	13,326,649

All Eligible Employees who accepted an offer of ESP and EOP shares were given an interest free loan from the Company to finance the whole of the purchase of the ESP shares they were invited to apply for (ESP and EOP Loan).

The ESP and EOP Loans are provided to participants on a non-recourse basis and upon vesting must be repaid in order to remove trading restrictions on vested ESP and EOP shares. The term of the ESP is five years and EOP Loan is ten years; however, participants may forfeit their ESP and EOP shares if they do not repay the ESP and EOP Loan. As the ESP and EOP removes the risk to participants from decreases in the share price by limiting the maximum loan amount repayable to the value of the ESP and EOP shares disposed and waiving the ESP and EOP Loan should the participant forfeit their ESP and EOP shares, whilst still allowing participants the rewards of any increase in share price, the Company has effectively granted the participants an option to the ESP and EOP shares due to the ESP and EOP loans being non-recourse. As such, this arrangement is accounted for under AASB 2.

No share options were granted during the financial year however, the assessed weighted average fair value at grant date of the effective share options granted during the financial year 2023 was \$0.022. Options were priced using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. The expected volatility of the Company's shares is based on the historical volatility of the Company's shares and other ASX listed companies considered to be comparable to Beonic Limited.

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

Notes to the financial statements continued

For the year ended 30 June 2024

The model inputs for the share option grants outstanding during the year ended 30 June 2024 include:

- Weighted average exercise price : various 30 day VWAP at time of issue
- Weighted average life of the option: 5-10 years
- Expected share price volatility: 61-80%
- Risk-free interest rate: 0.24-0.74%

(e) Other share based payments

No other share based payments were issued in 2024 or 2023.

27. Related parties

(d) Parent and ultimate controlling party

Beonic Limited became the parent and ultimate controlling party of the Group on 20 November 2014. Prior to that date the parent and ultimate controlling party of the Group was Beonic Group Pty Ltd.

(b) Subsidiaries

Interests in subsidiaries are set out in Note 30.

(c) Key management personnel compensation

	2024 \$	2023 \$
Short-term employee benefits, including contractor fees	1,198,146	1,402,398
Share based employee benefits	-	-
Other long term benefits	78,085	109,359
Total benefits	1,276,231	1,511,757

Short-term employee benefits

These amounts include fees and benefits paid to Directors as well as all salary, paid leave benefits and fringe benefits awarded to other KMP.

Share based employee benefits

These amounts represent the expense related to ordinary shares issued in lieu of payments as measured by the fair value of the shares issued or liabilities extinguished.

Further information in relation to KMP remuneration can be found in the Remuneration Report.

(d) Payable transactions with directors and key management personnel

The aggregate value of payable transactions and outstanding balances relating to director and key management personnel and entities over which they have control or significant influence were as follows:

There were no other payable transactions or outstanding balances relating to director and/or key management personnel and entities over which they have control or significant influence.

Other payable transactions with directors and key management personnel

At 30 June 2024 the payable balance outstanding with directors and key management personnel relating to expense reimbursements for supplier payments and business expenses was \$40,918 (2023: \$nil).

(e) Receivable transactions with directors and key management personnel

KMP	Transaction	Transaction value		Balance outstanding	
		2024 \$	2023 \$	2024 \$	2023 \$
Robert Alexander	Blue Venshures SPV 1 Loan facility	53,247	-	51,253	-
William Tucker	Blue Venshures SPV 1 Loan facility	535,692	-	512,534	-
John Rankin	Blue Venshures SPV 1 Loan facility	159,152	-	153,760	-
William Tucker	Directors Loan facility	372,942	-	362,164	-

Blue Venshures SPV I LLC is a Special Purpose Vehicle established specifically for Beonic Ltd. The SPV is owned and controlled by Advenshure LLC, a privately held company. The listed Directors and KMP's have contributed to the facility by subscribing to the promissory notes on the same commercial terms as the other investors of the facility announced to the ASX on 25 January 2024.

Other receivable transactions with directors and key management personnel

At 30 June 2024, the net receivable balance outstanding with directors and key management personnel relating to employee debit and credit card advances utilised for the sole purpose of supplier payments and business expenses was \$3,577 (2023: \$14,070).

The terms and conditions of the transactions with these entities were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to non-key management personnel related entities on an arm's length basis.

28. Parent entity information

Set out below is information about the legal parent entity, Beonic Limited

	2024 \$	2023 restated ⁽¹⁾ \$	2023 \$
Statement of comprehensive income			
Loss after tax	(3,454,917)	(6,124,152)	(8,249,725)
Total comprehensive income	(3,454,917)	(6,124,152)	(8,249,725)
Statement of financial position			
Current assets	1,428,048	900,934	3,692,375
Non-current assets	5,081,558	6,861,754	7,326,962
Total assets	6,509,605	7,762,688	11,019,337
Current liabilities	26,114,480	27,160,881	15,197,193
Non-current liabilities			
Total liabilities	26,114,480	27,160,881	15,197,193
Net assets	32,624,085	34,923,569	26,216,530
Contributed equity	49,528,713	47,255,288	47,255,288
Reserves	10,754,712	12,526,533	11,116,112
Accumulated losses	(27,659,340)	(24,858,252)	(32,154,870)
Total equity	32,624,085	34,923,569	26,216,530

⁽¹⁾ The prior period parent entity financial information was restated as it incorrectly included the CrowdVision sub-group financial information.

Notes to the financial statements continued

For the year ended 30 June 2024

Contingent liabilities

The parent entity had no contingent liabilities at 30 June 2024 and 30 June 2023.

Capital commitments – plant and equipment

The parent entity had no capital commitments for plant and equipment as at 30 June 2024 and 30 June 2023.

Significant accounting policies

The accounting policies of the parent entity are consistent with those of the Group, as disclosed in Note 3.

29. Events occurring after the reporting date

On 1 July 2024, the Company announced the appointment of Mr Michael McConnell as an independent non-executive Director.

On 23 August 2024, the Company sought approval for a two-tranche institutional placement to raise up to \$5 million and a \$0.5m Share Purchase Plan (SPP) via an extraordinary general meeting, which at that time was approved by shareholders.

There are no other matters or circumstances that have arisen since 30 June 2024 that have significantly affected, or may significantly affect the Group's operations in the future financial years, or

- the results of those operations in future financial years, or
- the Group's state of affairs in the future financial affairs.

30. Interests in Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 3:

Name	Country of incorporation	Ownership interest	
		2024	2023
Beonic Group Pty Ltd	Australia	100%	100%
Beonic International Pty Ltd	Australia	100%	100%
Beonic Brasil Inteligência, Mídia e Tecnologia Mobile Ltda.	Brazil	100%	100%
Skyfii South Africa (Pty) Ltd	Republic of South Africa	100%	100%
Skyfii UK Operations Limited	United Kingdom	100%	100%
Skyfii US Operations, LLC.	United States of America	100%	100%
Beonic, Inc	United States of America	100%	100%
Subsidiaries of Beonic, Inc:			
Beonic UK Limited	United Kingdom	100%	100%
CrowdVision USA Co	United States of America	100%	100%
WirelessWerx International, Inc.	United States of America	100%	100%

31. Reconciliation of loss after tax to net cash from operating activities

	2024 \$	2023 \$
Loss for the year	(7,417,929)	(10,542,247)
Investment cash flows included in profit & loss:		
Payments for acquisition costs	-	-
Non-cash items in operating loss:		
Depreciation and amortisation	4,542,710	4,229,254
Share based payments	131,969	2,555,114
Share option expense	-	-
Directors fees paid by issue of shares	-	-
Interest expense paid by issue of shares	-	-
Bad debt provision	21,825	62,398
Changes in operating assets and liabilities:		
Decrease / (increase) in trade and other receivables	754,551	1,981,894
Decrease / (increase) in prepayments and other assets	(1,114,731)	(257,675)
Decrease / (increase) in inventories	(81,263)	(66,035)
Increase / (decrease) in trade and other payables	815,647	252,323
Increase / (decrease) in provisions and employee benefits	(437,276)	318,898
Increase / (decrease) in contract liabilities	371,524	2,458,561
Increase / (decrease) in tax liabilities	(279,030)	(44,861)
Net cash used in operating activities	(2,692,003)	947,624

32. Earnings per share (EPS)

	2024 Cents per share	2023 Cents per share
(a) Basic earnings per share		
Basic EPS attributable to ordinary equity holders of the Company	(1.71)	(2.41)
(b) Diluted earnings per share		
Diluted EPS attributable to ordinary equity holders of the Company	(1.55)	(2.14)
(c) Weighted average number of shares used as the denominator	Number	Number
Weighted average number of ordinary shares used in calculating basic EPS	433,220,242	437,632,300
Weighted average number of dilutive options outstanding	46,854,287	56,106,691
Weighted average number of ordinary shares used in calculating diluted EPS	480,074,530	493,738,990
(d) Reconciliation of earnings used in calculating earnings per share	\$	\$
Loss attributable to the ordinary equity holders of the Company used in calculating basic EPS	(7,417,929)	(10,542,247)

Consolidated entity disclosure statement

As at 30 June 2024

Beonic Ltd group consolidated entity disclosure statement as at 30 June 2024

Entity Name	Entity type	Country of incorporation	Tax residency	% of share capital
Beonic Limited	Corporation	Australia	Australia	
Beonic Group Pty Ltd	Corporation	Australia	Australia	100%
Beonic International Pty Ltd	Corporation	Australia	Australia	100%
Beonic Brasil Inteligência, Mídia e Tecnologia Mobile Ltda.	Corporation	Brazil	Brazil	100%
Skyfii South Africa (Pty) Ltd	Corporation	Republic of South Africa	Republic of South Africa	100%
Skyfii UK Operations Limited	Corporation	United Kingdom	United Kingdom	100%
Skyfii US Operations, LLC.	Corporation	United States of America	United States of America	100%
Beonic, Inc	Corporation	United States of America	United States of America	100%
Subsidiaries of Beonic, Inc:				
Beonic UK Limited	Corporation	United Kingdom	United Kingdom	100%
CrowdVision USA Co	Corporation	United States of America	United States of America	100%
WirelessWerx International, Inc.	Corporation	United States of America	United States of America	100%

Directors' Declaration

In the Directors' opinion

- the attached financial statements and notes thereto comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in Note 2 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the Group financial position as at 30 June 2024 and of its performance for the year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.
- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declarations required by section 259A of the Corporations Act 2001.

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

On behalf of the Directors



Robert Alexander
Chairman
28 August 2024



Independent Auditor's report



BEONIC LIMITED
ABN 20 009 264 699
AND ITS CONTROLLED ENTITIES

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
 BEONIC LIMITED**

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Beonic Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, 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 statements, including material accounting policy information, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year then ended; and
- b. 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & 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.

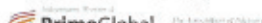
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2(e) in the annual financial report, which indicates that the Group incurred a net loss of \$7,417,929 during the year ended 30 June 2024, net cash outflows from operating activities of \$2,692,003 and, as of that date, the Group's current liabilities exceeded its current assets by \$4,433,437. As stated in Note 2(e), these events or conditions, along with other matters as set forth in Note 2(e), indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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Independent Auditor's report

HALL CHADWICK  (NSW)

BEONIC LIMITED
 ABN 20 009 264 699
 AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
 BEONIC LIMITED

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 for the year ended 30 June 2024. 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.

Key Audit Matter

How Our Audit Addressed the Key Audit Matter

Carrying Value of Intangible Assets

The carrying value of intangible assets is a key audit matter as:


- The carrying value of intangible assets represents approximately 50% of the Group's total assets.
- There is a significant level of judgement when considering management's assessment of the carrying value of intangible assets.

Our procedures included, amongst others, the following:

- We assessed management's determination of the Group's capitalisation of software development expenditure based on our understanding of the nature of the Group's operations and consideration of the factors in AASB 138 "Intangible Assets".
- We verified a sample of software development expenditure capitalised during the year to supporting documentation.
- We checked the amortisation calculation for all intangible assets and verified that the calculation was in accordance with the group's accounting policy.
- We assessed whether there were any impairment indicators for intangible assets with a finite useful life.
- With the assistance of Hall Chadwick's valuation specialists, we assessed the recoverability of the carrying value of all intangible assets by reviewing the client's discounted cash flow model.

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Independent Auditor's report continued

HALL CHADWICK  (NSW)

BEONIC LIMITED ABN
20 009 264 699
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEONIC LIMITED

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly 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 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 Group's ability 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 have 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 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.

As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Independent Auditor's report continued

HALL CHADWICK  (NSW)

BEONIC LIMITED ABN
20 009 264 699
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEONIC LIMITED

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's report continued

HALL CHADWICK  (NSW)

BEONIC LIMITED ABN
20 009 264 699
AND ITS CONTROLLED ENTITIES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
BEONIC LIMITED

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the remuneration report included in page 16 to 21 of the annual report for the year ended 30 June 2024.

In our opinion, the remuneration report of Beonic Limited for the year ended 30 June 2024, complies with s 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 s 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit concluded in accordance with Australian Auditing Standards.



Hall Chadwick (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



Stewart Thompson
Partner

Dated: 28 August 2024

Additional ASX information

Shareholder information

Additional information required by the Australian Securities Exchange Limited Listing Rules and not disclosed elsewhere in this report. This additional information was applicable as at 31 July 2024.

Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act are:

Substantial shareholder	Date of Notice	Number of shares
Thorney Technologies	26-Jun-24	87,446,708
Socialbon Inc	06-Jun-19	33,260,006
Mr Wayne Arthur	22-Jan-24	23,457,993
Birketu Pty Ltd	12-Feb-18	23,268,756
Precision Management Corporation Pty Ltd	23-Nov-17	22,015,874
The Elsie Cameron Foundation Pty Ltd	14-Feb-17	17,009,380
Jencay Capital Pty Ltd	06-Mar-20	15,007,467

Top 20 shareholders as at 31 July 2024

Rank	Name	Number of ordinary shares held	% of ordinary shares held
1	UBS NOMINEES PTY LTD	87,446,708	17.91%
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	38,147,462	7.81%
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	36,441,010	7.46%
4	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	35,580,715	7.29%
5	MR WAYNE GORDON ARTHUR	23,327,993	4.78%
6	BIRKETU PTY LTD	23,268,756	4.77%
7	THE ELSIE CAMERON FOUNDATION PTY LTD <ELSIE CAMERON FOUNDATION A/C>	17,009,380	3.48%
8	CITICORP NOMINEES PTY LIMITED	15,955,759	3.27%
9	BONDUFFMEX PTY LTD <IAN ROBINSON FAMILY A/C>	10,911,023	2.23%
10	AMIENS CORP A BVI COMPANY	8,742,324	1.79%
11	MR JOHN RANKIN	8,184,628	1.68%
12	HIGHSTAR CAPITAL IV PRISM LP	7,400,381	1.52%
13	MUTUAL TRUST PTY LTD	7,034,788	1.44%
14	WILDWOOD CAPITAL PTY LTD	6,949,108	1.42%
15	DMX CAPITAL PARTNERS LIMITED	6,890,535	1.41%
16	HIGHSTAR CAPITAL IV LP	6,064,888	1.24%
17	MR GLEN ZURCHER	5,426,576	1.11%
18	INVIA CUSTODIAN PTY LIMITED <PRECISION MNGMT CO PL A/C>	5,415,874	1.11%
19	BOLLINGER INVESTMENTS LIMITED <BRIGHT SIDE A/C>	5,285,713	1.08%
20	MONTELLA INVESTMENTS PTY LTD <R WHITE DISC A/C>	4,799,371	0.98%
Total top 20 holders		360,282,992	67.04%
Total remaining holders		127,939,762	32.96%
Total shareholdings		488,222,754	100.00%

Additional ASX information continued

Distribution of ordinary shareholders as at 31 July 2024

Number of Name	Number of	Shareholders	shares
1-1,000		670	12,652
1,001-5,000		101	356,551
5,001-10,000		125	997,086
10,001-100,000		354	14,950,052
100,001-9,999,999,999		221	471,906,413
Total		1,471	488,222,754

At the closing market price of \$0.03 per share on 31 July 2024, there were 662 shareholders with less than a marketable parcel of shares (\$500).

Option holders as at 31 July 2024

There are no option securities on issue for the purpose of the ASX Listing Rules.

Restricted securities as at 31 July 2024

There are restricted securities on issue for the purpose of the ASX Listing Rules, as set out in the table below:

Class of restricted securities	Nature of restriction	Number of shares
ESP shares	Various dates ending no later than 13-Oct-25	9,600,000
Unquoted EOP shares	Various dates ending no later than 13-Oct-32	43,639,028
Total shares subject to escrow		53,239,028

28. Voting Rights

The voting rights attaching to ordinary shares, set out in the Company's Constitution are:

- (a) at meetings of members, each member is entitled to vote in person or by proxy, attorney or representative; and
- (b) on a show of hands, every person present who is a member has one vote, and on a poll every member present has a vote for each fully paid share owned.

There are no voting rights attached to unlisted ordinary shares or unlisted options, voting rights will be attached to unlisted ordinary shares once issued and to options upon exercise.

29. On-market Buy Back

There is no current on-market buy back.

Corporate Directory

Company Directors

Mr Robert Alexander	Chairman, Non-Executive Director
Ms Kirsty Rankin	Non-Executive Director
Mr Mark Devadason	Non-Executive Director
Mr Michael McConnell	Non-Executive Director
Mr William Tucker	Executive Director

Company Secretary

Ms Pia Rasal

Registered Office

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Share Registry

Boardroom Limited
Level 8
210 George Street
Sydney NSW 2000

Auditors

Hall Chadwick
Level 40
2 Park Street
Sydney NSW 2000

Securities exchange listing

Beonic Limited shares are listed on the Australian Securities Exchange (Listing code: BEO)

Website

www.beonic.com

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