

# Linus Technologies Limited

ABN 84 149 796 332

## Appendix 4E

Preliminary Final Report

30 June 2024

### Reporting period

Report for the current period is for the year ended 30 June 2024.

Prior corresponding period information is for the year ended 30 June 2023.

### Results for announcement to the market

|  | 2024        | 2023        | Increase/(decrease) over previous corresponding period |        |
|--|-------------|-------------|--|--------|
|  | \$          | \$          | \$   | %      |
| Revenue from ordinary activities   | 811,120     | 228,906     | 582,214  | 254.3% |
| Revenue from ordinary activities excluding interest                      | 811,120     | 228,906     | 582,214  | 254.3% |
| Profit/(Loss) from ordinary activities after tax attributable to members | (4,793,564) | (5,237,231) | 443,667  | 8.5%   |
| Net profit/(loss) for the period attributable to members                 | (4,793,564) | (5,237,231) | 454,767  | 8.5%   |

|                                       |             |             |           |       |
|---------------------------------------|-------------|-------------|-----------|-------|
| Receipts from customers               | 747,516     | 496,143     | 251,373   | 50.7% |
| Net cash used in operating activities | (3,719,123) | (3,600,520) | (118,603) | 3.3%  |

### Dividends

No dividends were paid or declared during the financial period and it is not proposed to pay dividends.

No dividends have previously been declared or paid in prior financial periods and there are no dividend reinvestment plans in place.

### Details of entities over which control has been gained during the period

None.

### Details of entities over which control has been lost during the period

None.

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## Financial statements and Explanation of results

Revenue for the year ended 30 June 2024 was \$811,120, a 254% increase over FY23. The loss after income tax expense amounted to \$4,793,564. This loss includes non-cash, share-based payments expense of \$147,204 and non-cash amortisation charges of \$540,000.

The financial results and net cash outflow for Financial Year 2024 reflect the commercialisation activities undertaken by Linius. During the year, the Company continued to execute its strategy to expand commercial deals and launch products primarily in the Sports market segment. The Company made significant progress in new customer acquisition and market expansion, closing deals with Hockey Technology partners (working with the North American Hockey League, USA Hockey, and more), the Peach Belt Conference, and the Lone Star Conference. Importantly, the company entered the US market, the largest potential market for Linius solutions. Within the US market, the Company penetrated the US college sports market, onboarding two college conferences in a market with 1,100 NCAA universities, 150 NCAA conferences, and a total available market worth over \$70m for Linius.

During FY24, Linius completed major deployments of its Whizzard product with multiple customers. In Q1 FY24, Inverleigh Media launched Whizzard, embedded into its ENGINE media platform for customers New Zealand Rugby and SANZAAR (South Africa, New Zealand, Australia, and Argentina Rugby). In Q3 FY24, Whizzard went live with IMG, the world's leading sports and media company. Whizzard was incorporated within the IMG Video Archive service, providing advanced content search and curation capability to users including the world's leading sports federations, broadcasters, film makers, advertisers, and more. Through IMG, Linius is now working with content from some of the biggest sports federations including Premier League, PGA, Wimbledon, The Open, World Rugby, MotoGP and more. The deployment provides substantial visibility and credibility across Linius' key target markets and is a critical element to acceleration of Linius' growth.

The company expanded deployments with customers including Cricket Australia, Racing.com and Inverleigh Media and continued to work with and support existing customers under contract. Across all customers, Linius is now working with over 100,000 hours of content in 15 sports and across 40+ federations.

The increased commercial activity in FY24 resulted in record financial results including billings of \$760,300, an increase of 57% over FY23 and customer cash receipts of \$747,516, an increase of 51% over FY23.

During the year, the Company released significant additions to its product portfolio. The Linius Whizzard version 2.0 was launched in conjunction with deployment for IMG. Whizzard v2.0 added advanced natural language search and content-to-content recommendations driving greater value for users and rights holders. Additionally, Whizzard Highlights was released in Q1 FY24, enabling the automatic generation of highlight packages for publication of "mini-match"-style highlight videos from every game. This marked Linius' entry into the existing high-growth market for automated highlights. Whizzard Highlights was first deployed by Cricket Australia, and subsequently sold to Lone Star and Peach Belt Conferences. Through FY24, Whizzard Highlights has become a key component in customer acquisition and growth. Both Whizzard and Whizzard Highlights have been sold and deployed to multiple customers during the year, allowing Linius to increase the rate of new customer acquisition, rate of customer deployment, and speed to revenue, while reducing deployment effort and cost.

Following the market validation of Whizzard and Whizzard Highlights, Linius attracted the attention of several major technology companies, forging partnerships to expand the company's go-to-market activities. In April 2024, Linius signed a partnership agreement with Magnifi, the #2 and fastest growing provider of automated highlights. The partnership combines Magnifi's industry-leading AI-powered automated highlights and metadata generation with Linius' virtualised video and personalised video assembly. The combination creates a highly differentiated value proposition against leading incumbent providers of automated highlights solutions, positioning both companies to disrupt this large existing market. Magnifi will resell Linius Whizzard as their solution for video archives, and Linius Captivate as their fan engagement, personalized video, and monetisation product. Magnifi is taking these solutions to their large installed base of clients and including these solutions in new business opportunities. In March 2024, Linius signed an agreement with Avid, a leading provider of video editing software used by broadcasters and global sports federations. The agreement will see Whizzard integrated with Avid's Media Composer and made available to the large installed base of Avid customers. Lastly, Linius signed a partner agreement with Genius Sport, leading provider of data to top leagues and broadcasters and the exclusive provider of metadata to the entire NCAA for college sport. The partnership gives Linius access to valuable metadata and a large installed base of Genius' data customers.

The Company's focused go-to-market strategy and completion of key product development activities have resulted significant momentum through FY24 and going into FY25. Increased customer deployments have provided critical validation of the Company's strategy and products. The addition of key industry partnerships will drive significant scale for both revenue acceleration and deployment efficiencies the company enters FY25.

The financial statements for the period, further information and brief explanation of the financial results for the period and other information required under Appendix 4E are contained in this document.

#### Net tangible asset backing

|   | Current period | Previous corresponding period |
|---|----------------|-------------------------------|
| Net tangible assets per ordinary security | (0.0) cents    | (0.0) cents                   |

#### Events after the reporting period

There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of these operations, or the state of affairs of the Group in future financial periods.

#### Audit

The results reported are in the process of an independent audit.

Signed:



Giuseppe Rinarelli  
Company Secretary

30 August 2024  
Melbourne

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**LINIUS TECHNOLOGIES LIMITED**

**ACN 149 796 332**

**APPENDIX 4E**

**FINANCIAL STATEMENTS**

**FINANCIAL YEAR ENDED 30 JUNE 2024**

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# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR YEAR ENDED 30 JUNE 2024

|  | Note | 2024        | Group       |
|--|------|-------------|-------------|
|  |      | 2024        | 2023        |
|  |      | \$          | \$          |
| Revenue  | 2    | 811,120     | 228,906     |
| Other income   | 2    | 261,457     | 328,644     |
| Amortisation expense   |      | (540,000)   | (540,000)   |
| Depreciation expense   |      | -           | (8,589)     |
| Consultant expenses  |      | (612,158)   | (408,438)   |
| Director remuneration (excluding share-based payment) expenses |      | (225,488)   | (184,576)   |
| Employee benefit expenses                                      |      | (1,976,947) | (2,051,113) |
| Impairment loss on trade receivables                           |      | (4,750)     | -           |
| Share-based payments expense                                   |      | (147,204)   | (297,947)   |
| Finance expense  | 3    | (8,257)     | (483,058)   |
| Compliance expenses  |      | (215,777)   | (303,116)   |
| Software development expenses                                  |      | (1,719,496) | (1,172,227) |
| Marketing and promotional expenses                             |      | (96,473)    | (88,506)    |
| Patent costs   |      | (72,831)    | (70,453)    |
| Legal expenses   |      | -           | -           |
| Travel and accommodation expenses                              |      | (84,398)    | (19,486)    |
| Other expenses   | 3    | (162,362)   | (167,272)   |
| Loss before income tax   |      | (4,793,564) | (5,237,231) |
| Income tax expense   | 4    | -           | -           |
| Loss for the year  |      | (4,793,564) | (5,237,231) |
| Other comprehensive loss                                       |      | -           | -           |
| Total comprehensive loss for the year                          |      | (4,793,564) | (5,237,231) |
| Basic loss per share (cents per share)                         | 7    | (0.12)      | (0.19)      |
| Diluted loss per share (cents per share)                       | 7    | (0.12)      | (0.19)      |

The accompanying notes form part of the financial report.

# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2024

|                                      | Note | Group<br>2024<br>\$ | Group<br>2023<br>\$ |
|--------------------------------------|------|---------------------|---------------------|
| <b>CURRENT ASSETS</b>                |      |                     |                     |
| Cash and cash equivalents            | 8    | 201,011             | 481,037             |
| Trade and other receivables          | 9    | 303,315             | 256,584             |
| <b>TOTAL CURRENT ASSETS</b>          |      | <b>504,326</b>      | <b>737,621</b>      |
| <b>NON-CURRENT ASSETS</b>            |      |                     |                     |
| Intellectual property                | 10   | 765,000             | 1,305,000           |
| <b>TOTAL NON-CURRENT ASSETS</b>      |      | <b>765,000</b>      | <b>1,305,000</b>    |
| <b>TOTAL ASSETS</b>                  |      | <b>1,269,326</b>    | <b>2,042,621</b>    |
| <b>CURRENT LIABILITIES</b>           |      |                     |                     |
| Trade and other payables             | 11   | 1,156,431           | 885,740             |
| Contract liabilities                 | 12   | 233,970             | 282,058             |
| Employee provisions                  | 13   | 87,061              | 90,969              |
| <b>TOTAL CURRENT LIABILITIES</b>     |      | <b>1,477,462</b>    | <b>1,258,767</b>    |
| <b>NON-CURRENT LIABILITIES</b>       |      |                     |                     |
| <b>TOTAL NON-CURRENT LIABILITIES</b> |      | <b>-</b>            | <b>-</b>            |
| <b>TOTAL LIABILITIES</b>             |      | <b>1,477,462</b>    | <b>1,258,767</b>    |
| <b>NET (LIABILITIES) / ASSETS</b>    |      | <b>(208,136)</b>    | <b>783,854</b>      |
| <b>EQUITY</b>                        |      |                     |                     |
| Issued capital                       | 14   | 58,504,539          | 54,855,868          |
| Share based payments reserve         |      | 6,131,681           | 5,978,778           |
| Accumulated losses                   |      | (64,844,356)        | (60,050,792)        |
| <b>TOTAL EQUITY</b>                  |      | <b>(208,136)</b>    | <b>783,854</b>      |

The accompanying notes form part of the financial report

# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2024

| Group  | Issued<br>Capital<br>\$ | Share Based<br>Payments Reserve<br>\$ | Accumulated<br>Losses<br>\$ | Total<br>\$ |
|--|-------------------------|---------------------------------------|-----------------------------|-------------|
| Balance 1 July 2022  | 49,869,362              | 5,680,831                             | (54,813,561)                | 736,632     |
| Total comprehensive loss:  |                         |                                       |                             |             |
| Loss for the year  | -                       | -                                     | (5,237,231)                 | (5,237,231) |
| Other comprehensive loss   | -                       | -                                     | -                           | -           |
| Total comprehensive loss   | -                       | -                                     | (5,237,231)                 | (5,237,231) |
| Transactions with owners of the Company:                                 |                         |                                       |                             |             |
| Shares and options issued during the year (net of capital raising costs) | 4,986,506               | -                                     | -                           | 4,986,506   |
| Share-based payments   | -                       | 297,947                               | -                           | 297,947     |
| Total transactions with owners of the Company                            | 4,986,506               | 297,947                               | -                           | 5,284,453   |
| Balance at 30 June 2023  | 54,855,868              | 5,978,778                             | (60,050,792)                | 783,854     |
| Balance 1 July 2023  | 54,855,868              | 5,978,778                             | (60,050,792)                | 783,854     |
| Total comprehensive loss:  |                         |                                       |                             |             |
| Loss for the year  | -                       | -                                     | (4,793,564)                 | (4,793,564) |
| Other comprehensive loss   | -                       | -                                     | -                           | -           |
| Total comprehensive loss   | -                       | -                                     | (4,793,564)                 | (4,793,564) |
| Transactions with owners of the Company:                                 |                         |                                       |                             |             |
| Shares and options issued during the year (net of capital raising costs) | 3,648,671               | -                                     | -                           | 3,648,671   |
| Share-based payments   | -                       | 152,903                               | -                           | 152,903     |
| Total transactions with owners of the Company                            | 3,648,671               | 152,903                               | -                           | 3,801,574   |
| Balance at 30 June 2024  | 58,504,539              | 6,131,681                             | (64,844,356)                | (208,136)   |

The accompanying notes form part of the financial report

# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2024

|   | Note | 2024<br>\$  | Group<br>2023<br>\$ |
|---|------|-------------|---------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>         |      |             |                     |
| Receipts from customers                             |      | 747,516     | 496,143             |
| Receipts from GST refundable                        |      | 106,189     | 145,110             |
| Payments to suppliers                               |      | (4,823,850) | (4,670,346)         |
| Other income received                               |      | 251,022     | 428,573             |
| Net cash used in operating activities               | 15   | (3,719,123) | (3,600,520)         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>         |      |             |                     |
| Net cash provided by/(used in) investing activities |      | -           | -                   |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>         |      |             |                     |
| Insurance premium funding payments                  | 11   | (124,113)   | (142,341)           |
| Principal elements of lease liability               |      | -           | (12,499)            |
| Proceeds from other payables                        |      | 90,000      | -                   |
| Proceeds from issue of shares and options           |      | 3,539,631   | 3,505,460           |
| Capital raising costs paid                          |      | (66,421)    | (85,660)            |
| Proceeds from convertible notes                     |      | -           | 352,865             |
| Repayment of convertible notes                      |      | -           | (499,750)           |
| Net cash inflows from financing activities          |      | 3,439,097   | 3,118,075           |
| Net increase/(decrease) in cash held                |      | (280,026)   | (482,445)           |
| Cash at beginning of financial year                 |      | 481,037     | 963,482             |
| Cash at end of financial year                       | 8    | 201,011     | 481,037             |

The accompanying notes form part of the financial report



# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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These preliminary financial statements and notes comprise the information required as Appendix 4E, under ASX listing rule 4.3A for Linius Technologies Limited (“the Company”) and its controlled entities (“the Group”), a listed Australian company incorporated in Australia. This report is based on financial statements that are in the process of being audited.

These general purpose financial statements comprise the financial report and notes of Linius Technologies Limited (the “Company”) and its controlled entities (the “Group”), a listed Australian company incorporated in Australia.

#### Basis of Preparation

The preliminary financial report does not include all of the notes of the type normally included in an annual financial report. Accordingly, it should be read in conjunction with the Annual Report for the period ended 30 June 2023 and the financial report for the six months ended 31 December 2023 and any public announcements made by the Company in accordance with the continual disclosure requirements of the Corporations Act 2001. This preliminary report has been prepared in accordance with the measurement and recognition requirements of the Australian Accounting Standards, Accounting Interpretations and the Corporations Act 2001.

The financial statements comprise the consolidated financial statements for the Group. For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with AIFRS ensures that the financial report and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The Appendix 4E was authorised for issue on 30 August 2024.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

#### *Going Concern*

The financial statements have been prepared under the historical cost convention, applying the going concern basis of accounting. The directors are confident in the continuing support from the existing shareholders and the ability to attract new investors to fund the Group’s future finance requirements. Further details of the going concern basis of accounting will be provided in the Group’s annual report for the year ended 30 June 2024.

# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### NOTE 2: REVENUE

|                                | Group   |         |
|--------------------------------|---------|---------|
|                                | 2024    | 2023    |
|                                | \$      | \$      |
| Revenue for services rendered* | 811,120 | 228,906 |
| Other revenue:                 |         |         |
| Government grant**             | 259,103 | 328,644 |
| Interest income                | 2,354   | -       |
| Total other revenue            | 261,457 | 328,644 |

\* Income in advance amounting to \$233,970 (2023: \$282,058) is included in trade and other payables.

\*\*Government grants related to research and development claim remain amounting to \$107,015 remain outstanding as at 30 June 2024 (2023: \$98,933) and form part of trade and other receivables.

### NOTE 3: LOSS FOR THE YEAR

|  | Group   |         |
|--|---------|---------|
|  | 2024    | 2023    |
|  | \$      | \$      |
| Other expenses:                              |         |         |
| Occupancy costs                              | 4,144   | 15,386  |
| Recruitment                                  | 40,183  | 1,843   |
| Insurance                                    | 102,587 | 134,430 |
| Others                                       | 15,448  | 15,613  |
| Other expenses                               | 162,362 | 167,272 |
| Finance expense:                             |         |         |
| Interest expense                             | 8,257   | 6,728   |
| Interest expense – convertible note facility | -       | 476,330 |
| Finance expense                              | 8,257   | 483,058 |

# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### NOTE 4: INCOME TAX EXPENSE

|   | Group       |             |
|---|-------------|-------------|
|   | 2024        | 2023        |
|   | \$          | \$          |
| a) Income tax expense   |             |             |
| Current tax benefit   | (1,162,567) | (1,256,167) |
| Deferred tax – origination and reversal of temporary differences  | 977         | 21,346      |
| Deferred tax assets for tax losses not recognised   | 1,161,590   | 1,234,821   |
|   | -           | -           |
| b) Reconciliation of income tax expense to prima facie tax payable  |             |             |
| The prima facie tax payable on profit/loss from ordinary activities before income tax is reconciled to the income tax expense as follows: |             |             |
| Prima facie tax on operating loss at 25%  | (1,198,391) | (1,309,308) |
| Add / (Less)  |             |             |
| Tax effect of:  |             |             |
| Share based payments  | 36,801      | 74,487      |
| Unused tax losses and other balances not recognised as deferred tax assets  | 1,161,590   | 1,234,821   |
| Income tax attributable to operating loss   | -           | -           |
| c) Unrecognised deferred tax assets   |             |             |
| Unused Australian tax losses for which no deferred tax asset has been recognised  | 13,703,002  | 12,541,413  |
| Temporary differences not recognised  | 21,765      | 22,742      |
| Total   | 13,724,767  | 12,564,155  |

Potential deferred tax assets attributable to tax losses carried forward have not been brought to account at 30 June 2024 because the Directors do not believe it is appropriate to regard realisation of the deferred tax assets as probable at this current point in time. These benefits will only be obtained if:

- i. The Group derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the loss to be realised;
- ii. The Group continues to comply with conditions for deductibility imposed by law; and
- iii. No changes in tax legislation adversely affect the Group in realising the benefit from the deductions for the losses.

# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### NOTE 5: KEY MANAGEMENT PERSONNEL

The total of remuneration paid to KMP of the Group during the period are as follows:

|                              | Group   |         |
|------------------------------|---------|---------|
|                              | 2024    | 2023    |
|                              | \$      | \$      |
| Short-term employee benefits | 858,914 | 827,256 |
| Share-based payments         | 6,111   | 23,833  |
|                              | 865,025 | 851,089 |

### NOTE 6: AUDITOR'S REMUNERATION

|   | Group   |        |
|---|---------|--------|
|   | 2024    | 2023   |
|   | \$      | \$     |
| Remuneration of the auditor for services provide to the Group and the Parent during the year: |         |        |
| <i>Audit and review services</i>  | 100,000 | 97,000 |
| KPMG: auditing and reviewing of financial statements  | 100,000 | 97,000 |

### NOTE 7: EARNINGS/LOSS PER SHARE

|   | Group         |               |
|---|---------------|---------------|
|   | 2024          | 2023          |
|   | \$            | \$            |
| a. Reconciliation of earnings to profit or loss   |               |               |
| Loss used to calculate basic and diluted EPS  | (4,793,564)   | (5,237,231)   |
|   | No.           | No.           |
| b. Weighted average number of ordinary shares outstanding during the period used in calculating basic and diluted EPS | 4,155,879,068 | 2,807,608,120 |

Potential ordinary shares comprising 201,799,992 options (2023 69,139,653) were excluded in the calculation of diluted EPS given they are antidilutive.

### NOTE 8: CASH AND CASH EQUIVALENTS

|              | Group   |         |
|--------------|---------|---------|
|              | 2024    | 2023    |
|              | \$      | \$      |
| Cash at bank | 201,011 | 481,037 |

The effective interest rate on short-term bank deposits was varying between 0.1% to 3.5%.

# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### NOTE 8: CASH AND CASH EQUIVALENTS (CONTINUED)

#### Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

|                           | Group   |         |
|---------------------------|---------|---------|
|                           | 2024    | 2023    |
|                           | \$      | \$      |
| Cash and cash equivalents | 201,011 | 481,037 |

### NOTE 9: TRADE AND OTHER RECEIVABLES

|  | Group   |         |
|--|---------|---------|
|  | 2024    | 2023    |
|  | \$      | \$      |
| <b>CURRENT</b>                         |         |         |
| Accounts receivable                    | 209,885 | 162,913 |
| Prepaid expenses and other receivables | 93,430  | 93,671  |
|  | 303,315 | 256,584 |

Accounts receivables are shown net of impairment losses of \$4,750 (2023: \$nil)

### NOTE 10: INTELLECTUAL PROPERTY

The Group acquired the intellectual property associated with the Linius technology from an unrelated party in the financial period ended 30 June 2016. The intellectual property includes patents, copyright, confidential information and trademarks. In accordance with accounting standards and the Group accounting policies this asset is treated as having a finite life and is being amortised over 10 years.

|                               | Group       |             |
|-------------------------------|-------------|-------------|
|                               | 2024        | 2023        |
|                               | \$          | \$          |
| Intellectual property at cost | 5,400,000   | 5,400,000   |
| Accumulated amortisation      | (4,635,000) | (4,095,000) |
|                               | 765,000     | 1,305,000   |

The directors have assessed the value and useful life of the intellectual property at balance date.

The cost of the intellectual property was established upon the purchase of the intellectual property through a third party transaction during the financial period ended 30 June 2016. The value of the intellectual property was further validated through the reverse takeover process and capital raising undertaken by Linius Technologies Limited (Linius) in April/May 2016. During this process an independent report was commissioned, which gave the directors comfort that the intellectual property purchased was covered by valid patents, trademarks and copyright.

# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### NOTE 10: INTELLECTUAL PROPERTY (CONTINUED)

The directors note that the intellectual property is at an early stage in its commercial life, with the associated technology recently commencing commercialisation. The value and lifespan of the owned intellectual property continues to be enhanced by further patent registrations in new jurisdictions across the world and through continued development of the technology associated with the intellectual property.

The directors have currently assessed the useful life of the intellectual property as being 10 years. The directors consider that a 10 year useful life is reasonable and appropriate and have amortised the value of intellectual property at balance date on that basis.

Further details regarding impairment testing will be provided in the Group's annual report for the year ended 30 June 2024.

### NOTE 11: TRADE AND OTHER PAYABLES

|                                      | Group            |                |
|--------------------------------------|------------------|----------------|
|                                      | 2024             | 2023           |
|                                      | \$               | \$             |
| Trade payables                       | 809,745          | 621,021        |
| Insurance premium funding*           | -                | -              |
| Other payables                       | 90,000           | -              |
| Sundry payables and accrued expenses | 256,686          | 264,719        |
|                                      | <u>1,156,431</u> | <u>885,740</u> |

*Reconciliation of movements of liabilities to cash flows arising from financing activities.*

\* Initial loan balance of \$116,018 was non cash as the insurance premium was paid directly by financier. During the year, \$124,113 was repaid. Nominal interest rate is 6.97% and this loan was repaid by February 2024.

### NOTE 12: CONTRACT LIABILITIES

|                      | Group          |                |
|----------------------|----------------|----------------|
|                      | 2024           | 2023           |
|                      | \$             | \$             |
| Contract Liabilities | 233,970        | 282,058        |
|                      | <u>233,970</u> | <u>282,058</u> |

# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### NOTE 13: EMPLOYEE PROVISIONS

|                     | Group  |        |
|---------------------|--------|--------|
|                     | 2024   | 2023   |
|                     | \$     | \$     |
| <b>CURRENT</b>      |        |        |
| Provision for leave | 87,061 | 90,969 |
|                     | 87,061 | 90,969 |

### NOTE 14 ISSUED CAPITAL AND RESERVES

|  | Note | \$<br>Group | Number<br>(Legal parent) |
|--|------|-------------|--------------------------|
| <b>Issued Capital</b>  |      |             |                          |
| <b>2024</b>  |      |             |                          |
| Opening balance 1 July 2023  |      | 54,855,868  | 3,765,457,374            |
| Issue of shares through private placement (net of costs)*  |      | 3,648,671   | 1,729,283,340            |
| Issue of shares as share based payments**  |      | -           | 52,000,000               |
| At reporting date  |      | 58,504,539  | 5,546,740,714            |
| The Company has issued share capital amounting to 5,591,740,714 ordinary shares of no par value. |      |             |                          |
| <b>2023</b>  |      |             |                          |
| Opening balance 1 July 2022  |      | 49,869,362  | 1,959,516,312            |
| Issue of shares through private placement (net of costs)*  |      | 3,345,670   | 877,569,997              |
| Issue of shares as share based payments**  |      | -           | 72,771,898               |
| Issue of shares on conversion of convertible note  |      | 1,640,836   | 855,599,167              |
| At reporting date  |      | 54,855,868  | 3,765,457,374            |

\*Net of \$5,699 (2023: \$-) of share based payment transaction costs and \$72,630 (2023: \$91,819) of other transaction costs.

\*\*Net of \$109,000 (2023: \$238,699) of share based payments expense recorded in the profit and loss and share based payments reserve.

# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### NOTE 14: ISSUED CAPITAL AND RESERVES (CONTINUED)

| Ordinary shares  | Legal parent entity |               |
|--|---------------------|---------------|
|  | 2024<br>No.         | 2023<br>No.   |
| Opening balance  | 3,765,457,374       | 1,959,516,312 |
| Fully paid shares issued during the year                             |                     |               |
| – July 2022 (issue of shares by private placement to directors)      | -                   | 35,000,000    |
| – July 2022 (issue of shares as part of share based payment)         | -                   | 3,000,000     |
| – July 2022 (issue of shares as part of share based payment)         | -                   | 3,850,000     |
| – August 2022 (issue of shares as part of subscription agreement)    | -                   | 50,000,000    |
| – August 2022 (issue of shares by private placement)                 | -                   | 200,000,000   |
| – August 2022 (issue of shares as part of subscription agreement)    | -                   | 62,500,000    |
| – September 2022 (issue of shares as part of subscription agreement) | -                   | 66,666,667    |
| – October 2022 (issue of shares by private placement to directors)   | -                   | 31,000,000    |
| – December 2022 (issue of shares as part of share based payment)     | -                   | 28,590,006    |
| – December 2022 (issue of shares by private placement)               | -                   | 228,236,630   |
| – December 2022 (issue of shares as part of subscription agreement)  | -                   | 140,000,000   |
| – December 2022 (issue of shares by private placement)               | -                   | 15,000,000    |
| – December 2022 (issue of shares as part of share based payment)     | -                   | 8,053,280     |
| – January 2023 (issue of shares as part of subscription agreement)   | -                   | 148,000,000   |
| – February 2023 (issue of shares as part of subscription agreement)  | -                   | 155,000,000   |
| – February 2023 (issue of shares as part of share based payment)     | -                   | 5,000,000     |
| – February 2023 (issue of shares by private placement to directors)  | -                   | 33,333,340    |
| – March 2023 (issue of shares as part of subscription agreement)     | -                   | 57,000,000    |
| – May 2023 (issue of shares by private placement)                    | -                   | 335,000,027   |
| – May 2023 (issue of shares as part of share based payment)          | -                   | 24,278,612    |
| – June 2023 (issue of shares on conversion of convertible note)      | -                   | 176,432,500   |
| – July 2023 (issue of shares on private placement to directors)      | 23,333,340          | -             |
| – August 2023 (issue of shares as part of share based payment)       | 18,000,000          | -             |
| – August 2023 (issue of shares by private placement)                 | 423,000,000         | -             |
| – October 2023 (issue of shares by private placement)                | 292,500,000         | -             |
| – December 2023 (issue of shares by share purchase plan)             | 160,500,000         | -             |
| – December 2023 (issue of shares as part of share based payment)     | 29,000,000          | -             |
| – December 2023 (issue of shares on private placement to directors)  | 117,200,000         | -             |
| – December 2023 (issue of shares by private placement)               | 110,250,000         | -             |



# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### NOTE 14: ISSUED CAPITAL AND RESERVES (CONTINUED)

| Ordinary shares   | Legal parent entity |               |
|---|---------------------|---------------|
|   | 2024<br>No.         | 2023<br>No.   |
| – February 2024 (issue of shares by private placement)        | 257,500,000         | -             |
| – April 2024 (issue of shares as part of share based payment) | 5,000,000           | -             |
| – April 2024 (issue of shares by private placement)           | 345,000,000         | -             |
| At reporting date   | 5,546,740,714       | 3,765,457,374 |

At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands. All ordinary shares rank equally with regard to the Company's residual assets.

#### NATURE AND PURPOSE OF RESERVES

##### Share-Based Payments Reserve

This reserve is used to record the equity value of share based payment expenses incurred as consideration for employee and consultant services.

##### Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it may continue to provide returns for shareholders and benefits for other stakeholders.

Due to the nature of the Group's activities, being an early stage technology company, the Group does not have ready access to credit facilities, with the primary source of funding being equity raisings. Therefore, the focus of the Group's capital risk management is the current working capital position against the requirements of the Group to meet research and development of software, early stage business commercialisation initiatives and corporate overheads. The Group's strategy is to ensure appropriate liquidity is maintained to meet anticipated operating requirements, with a view to initiating appropriate capital raisings as required. The working capital position of the Group at 30 June 2024 is as follows:

|  | Group       |             |
|--|-------------|-------------|
|  | 2024<br>\$  | 2023<br>\$  |
| Cash and cash equivalents                      | 201,011     | 481,037     |
| Trade and other receivables                    | 303,315     | 256,584     |
| Trade and other payables and other liabilities | (1,477,462) | (1,258,767) |
| Working capital position                       | (973,136)   | (521,146)   |

# LINIUS TECHNOLOGIES LIMITED

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### NOTE 15: CASH FLOW INFORMATION

|   | Group       |             |
|---|-------------|-------------|
|   | 2024        | 2023        |
|   | \$          | \$          |
| Cash flows excluded from loss attributable to operating activities: |             |             |
| Loss after income tax   | (4,793,564) | (5,237,231) |
| Non cash items  |             |             |
| - Depreciation  | -           | 8,589       |
| - Amortisation  | 540,000     | 540,000     |
| - Write down of right of use assets on disposal                     | -           | 9,028       |
| - Share-based payments expense                                      | 147,204     | 297,947     |
| - Interest expense  | -           | 476,330     |
| Changes in assets and liabilities                                   |             |             |
| - Increase/(decrease) in provisions                                 | (3,908)     | (69,353)    |
| - Increase/(decrease) in trade payables and accruals                | 262,875     | 241,169     |
| - (Increase)/decrease in trade receivables and prepayments          | 128,270     | 133,001     |
| Cash flows used in operating activities                             | (3,719,123) | (3,600,520) |

### NOTE 16: OPERATING SEGMENTS

#### Segment Information

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Group's operating segments have been determined with reference to the monthly management accounts used by the Chief Operating Decision Maker to make decisions regarding the Group's operations and allocation of working capital. Due to the size and nature of the Group, the Board as a whole has been determined as the Chief Operating Decision Maker.

There is only one reportable segment, being the development of computer software.

The revenues and results of this segment are those of the Group as a whole and are set out in the consolidated statement of profit or loss and other comprehensive income. The segment assets and liabilities of this segment are those of the Group and are set out in the consolidated statement of financial position.

# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### NOTE 17: PARENT ENTITY DISCLOSURES

The following information is related to the legal parent entity Linius Technologies Limited as at 30 June 2024:

| Financial position              | 2024              | 2023              |
|---------------------------------|-------------------|-------------------|
|                                 | \$                | \$                |
| <b>Assets</b>                   |                   |                   |
| Current assets                  | 168,056           | 369,744           |
| Non-current assets              | 11,360,001        | 13,600,318        |
| <b>Total assets</b>             | <b>11,528,057</b> | <b>13,970,062</b> |
| <b>Liabilities</b>              |                   |                   |
| Current liabilities             | 434,577           | 300,856           |
| Non current liabilities         | -                 | -                 |
| <b>Total liabilities</b>        | <b>434,577</b>    | <b>300,856</b>    |
| <b>Equity</b>                   |                   |                   |
| Issued capital                  | 74,145,494        | 70,496,823        |
| Option premium reserve          | 36,462            | 36,462            |
| Share based payments reserve    | 6,131,681         | 5,978,778         |
| Accumulated losses              | (69,220,157)      | (62,842,857)      |
| <b>Total equity</b>             | <b>11,093,480</b> | <b>13,669,206</b> |
| <b>Financial performance</b>    |                   |                   |
| Loss for the year               | 6,377,300         | 1,402,830         |
| <b>Total comprehensive loss</b> | <b>6,377,300</b>  | <b>1,402,830</b>  |

#### (i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the parent entity's financial statements. The investment amounts are assessed for recoverability and an impairment is recorded where the recoverable amount is lower than cost. The recoverable amount is determined by taking into account the market capitalisation of the Group at balance date.

Dividends received from associates are recognised in the parent entity's profit or loss, rather than being deducted from the carrying amount of these investments.

#### (ii) Receivables from subsidiaries

These receivables are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses.

# LINIUS TECHNOLOGIES LIMITED

## APPENDIX 4E 2024

### NOTE 18: SUBSEQUENT EVENTS

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There has not been any matter or circumstance that has arisen after balance date that has significantly affected, or may significantly affect, the operations of the Group, the results of these operations, or the state of affairs of the Group in future financial periods.

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