



ACN 122 727 342

**CONSOLIDATED INTERIM FINANCIAL REPORT  
FOR THE HALF-YEAR ENDED  
31 DECEMBER 2023**

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# CORPORATE DIRECTORY

## DIRECTORS

Simon Trevisan (Chairman)  
Adrian Siah (Non-Executive Director)  
Marene Ter (Non-Executive Director)

## COMPANY SECRETARY

Sean Meakin

## REGISTERED AND PRINCIPAL OFFICE

Level 14  
225 St Georges Terrace  
PERTH WA 6000  
Telephone: (08) 9424 9320  
Facsimile: (08) 9321 5932  
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## AUDITORS

BDO Audit (WA) Pty Ltd  
Level 9, Mia Yellagonga Tower 2  
5 Spring Street  
Perth WA 6000

## SHARE REGISTRY

Automic Group  
Level 5, 191 St Georges Terrace  
PERTH WA 6000  
Telephone: 1300 288 664 (within Australia)  
+61 (0) 2 9698 5414 (international)

## HOME EXCHANGE

Australian Securities Exchange Ltd  
Central Park  
152-158 St Georges Terrace  
PERTH WA 6000  
**ASX Code: AO1**

## SOLICITORS

Blackwall Legal  
Level 26, 140 St Georges Terrace  
PERTH WA 6000

## BANKERS

St George Bank  
Level 3, Brookfield Place Tower 2  
123 St Georges Terrace  
PERTH WA 6000

## DIRECTORS' REPORT

The Directors present their report together with the financial report of AssetOwl Limited (the Group) for the half year ended 31 December 2023 and the auditor's review report thereon.

### DIRECTORS

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

- Simon Trevisan (Chairman)
- Adrian Siah (Non-Executive Director)
- Marene Ter (Non-Executive Director)
- Geoff Baldwin (Non-Executive Director) (retired 30 November 2023)

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

### REVIEW OF OPERATIONS

In July 2023, soon into the present reporting period, after a challenging 2023 financial year the board made the difficult decision for the Company's subsidiary company, AssetOwl Technologies Pty Ltd to discontinue support for its Pirsee product. Whilst the number of customers using the platform increased during 2023 financial year, the Company was unable to continuing maintaining the cost of providing service to our customers. The Company is no longer generating revenue from its small customer base it had at the commencement of the reporting period.

Though the Pirsee product is not currently being supported, the Company retains the product IP and code so that it can be brought back to market.

The Company's securities were suspended from quotation on the ASX under Listing Rule 17.5 from the commencement of trading on Monday 2 October 2023.

Throughout the reporting period, the directors have actively sought and followed up on potential opportunities to raise capital for the Company and recommence a business operation.

In the meantime, the Company continues to be supported by its directors and un-related professional investor who have provided loans to the Company during and subsequent to the end of the reporting period.

The Group's net loss after providing for income tax for the half year ended 31 December 2023 amounted to \$361,719 (half year ended 31 December 2022: \$1,479,503). For the half year ended 31 December 2023, the Group incurred total net cash outflows from operating activities of \$327,328 (2022: net cash outflows of \$1,252,689).

The reduction in loss, and in net cash outflows, both of which have resulted from the discontinuation of the Group's property inspection software service, Pirsee, is attributable to the reduction in costs which were material in the comparative period, such as employee benefit expenses and professional consultants and contractors.

At 31 December 2023, the Group has \$6,138 cash and cash equivalents (30 June 2023: \$48,020). During the period, the Group has relied substantially on Tribis Pty Ltd for the settlement of debts of the Group. Simon Trevisan, AssetOwl's chairman, is the Managing Director of Tribis Pty Ltd.

The independent auditors review report, from page 21 below, draws attention to Note 1(b) in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern and therefore the Company may be unable to realise its assets and discharge its liabilities in the normal course of business.

## DIRECTORS' REPORT

For the Company to generate value for its shareholders, the Company must secure an investment in a new business operation and generate revenue from this investment. It is likely that this will involve the Company needing to raise a substantial amount of capital.

During the period, at the Company's Annual General Meeting on 30 November 2023, for the purposes of ASX Listing Rule 14.4 and the Company's Constitution Non-Executive director, Mr Geoff Baldwin retired from the board by rotation and did not seek to be re-elected. Geoff retired from the board for personal reasons.

Geoff joined the board in June 2018, and during his tenure provided important insights and advice to the board and management, over the period when the Company delivered its property inspection software platform.

### SIGNIFICANT CHANGES IN STATE OF AFFAIRS

As described above, during the half year the Group discontinued providing a service to its customers and therefore operating a business.

### EVENTS OCCURRING SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 29 February 2024, AssetOwl entered into a non-binding term sheet with two unrelated parties, pursuant to that term sheet, and separate loan agreement which the Company entered into on 1 March 2024, the Company will receive \$50,000 by 10 March 2024. Subject to necessary due diligence in respect of the potential transaction, the term sheet will become binding from that date.

No other matters or circumstances have arisen since 31 December 2023 that have significantly affected the Group's operations, results, or state of affairs, or may do so in future reporting periods.

### AUDITORS INDEPENDENCE DECLARATION

The lead auditor's independence declaration as required under S.307C of the Corporations Act 2001 is set out on page 6 for the half year ended 31 December 2023.

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



**Simon Trevisan**

Chairman

Dated at Perth, Western Australia, this 6<sup>th</sup> of March 2024

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

As lead auditor for the review of AssetOwl Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of AssetOwl Limited and the entities it controlled during the period.



**Neil Smith**

**Director**

**BDO Audit (WA) Pty Ltd**

Perth

6 March 2024

# **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR HALF-YEAR ENDED 31 DECEMBER 2023**

	Notes	HALF YEAR	
		Restated*	
		31 December 2023	31 December 2022
		\$	\$
<b>CONTINUING OPERATIONS</b>			
Other Income		-	3,863
<b>EXPENSES</b>			
Accounting and Audit expenses		(29,338)	(26,222)
Legal expenses		(13,385)	(15,203)
Corporate and administrative expenses		(165,407)	(156,835)
Professional consultant and contractor fees		(6,000)	(61,500)
Advertising and Marketing		-	(17,864)
Share based payments expense		-	(14,943)
Interest expense	2	(49,024)	-
Other expenses		(1,293)	(1,741)
<b>(LOSS) BEFORE INCOME TAX</b>		<b>(264,447)</b>	<b>(290,445)</b>
Income tax benefit		-	-
<b>(LOSS) AFTER INCOME TAX FROM CONTINUING OPERATIONS</b>		<b>(264,447)</b>	<b>(290,445)</b>
<b>(LOSS) AFTER INCOME TAX FROM DISCONTINUED OPERATIONS</b>	8	<b>(97,272)</b>	<b>(1,189,058)</b>
<b>LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>		<b>(361,719)</b>	<b>(1,479,503)</b>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>(361,719)</b>	<b>(1,479,503)</b>
Total comprehensive loss for the period is attributable to: Owners of AssetOwl Limited		(361,719)	(1,479,503)
<b>Earnings (Loss) per share (continuing and discontinued operations)</b>			
Basic and diluted loss (cents per share)		(0.019)	(0.094)
<b>Earnings (Loss) per share (continuing operations)</b>			
Basic and diluted loss (cents per share)		(0.014)	(0.018)

\*Restated to include comparative information for discontinued Pirsee operation

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

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Notes	31 December 2023 \$	30 June 2023 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		6,138	48,020
Trade and other receivables		1,607	17,405
Inventories	3	-	17,029
Assets classified as held for sale	3	2,820	10,344
<b>TOTAL CURRENT ASSETS</b>		<b>10,565</b>	<b>92,798</b>
<b>TOTAL ASSETS</b>		<b>10,565</b>	<b>92,798</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	4	396,704	346,233
Employee Benefits payable	5	19,125	205,669
Borrowings	6	1,068,072	706,322
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,483,901</b>	<b>1,258,224</b>
<b>NON-CURRENT LIABILITIES</b>			
Borrowings	6	53,809	-
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>53,809</b>	<b>-</b>
<b>TOTAL LIABILITIES</b>		<b>1,537,710</b>	<b>1,258,224</b>
<b>NET LIABILITIES</b>		<b>(1,527,145)</b>	<b>(1,165,426)</b>
<b>EQUITY (DEFICIENCY)</b>			
Contributed Equity		23,542,881	23,542,881
Reserves		99,687	99,687
Accumulated Losses		(25,169,713)	(24,807,994)
<b>TOTAL EQUITY (DEFICIENCY)</b>		<b>(1,527,145)</b>	<b>(1,165,426)</b>

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



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

### FOR HALF-YEAR ENDED 31 DECEMBER 2023

	Notes	Contributed Equity \$	Share based payments Reserve \$	Accumulated Losses \$	Total \$
<b>BALANCE AT 1 JULY 2023</b>		<b>23,542,881</b>	<b>99,687</b>	<b>(24,807,994)</b>	<b>(1,165,426)</b>
(Loss) for the half year		-	-	(361,719)	(361,719)
<b>Total comprehensive (loss)</b>		<b>-</b>	<b>-</b>	<b>(361,719)</b>	<b>(361,719)</b>
<b>BALANCE AT 31 DECEMBER 2023</b>		<b>23,542,881</b>	<b>99,687</b>	<b>(25,169,713)</b>	<b>(1,527,145)</b>
<b>BALANCE AT 1 JULY 2022</b>		<b>23,173,082</b>	<b>86,948</b>	<b>(21,026,113)</b>	<b>2,233,917</b>
(Loss) for the half year		-	-	(1,479,503)	(1,479,503)
<b>Total comprehensive (loss)</b>		<b>-</b>	<b>-</b>	<b>(1,479,503)</b>	<b>(1,479,503)</b>
Share based payments		-	14,943	-	14,943
<b>BALANCE AT 31 DECEMBER 2022</b>		<b>23,173,082</b>	<b>101,891</b>	<b>(22,505,616)</b>	<b>769,357</b>

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

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR HALF-YEAR ENDED 31 DECEMBER 2023

		HALF YEAR	
	Note	31 December 2023	31 December 2022
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers		3,861	75,066
Research and Development rebate received		-	189,970
Payments to suppliers and employees		(349,393)	(1,521,588)
Proceeds from disposal of assets held for sale	3	23,091	-
Interest paid		(4,887)	-
Interest received		-	3,863
NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES		(327,328)	(1,252,689)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Property, plant and equipment		-	(57,934)
Proceeds from sale of Property, plant and equipment		-	27,273
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES		-	(30,661)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	6	351,500	150,000
Repayment of borrowings	6	(66,054)	-
NET CASH INFLOW FROM FINANCING ACTIVITIES		285,446	150,000
NET (DECREASE) IN CASH HELD		(41,882)	(1,133,350)
Cash and cash equivalents at beginning of period		48,020	1,219,901
CASH AT END OF PERIOD		6,138	86,551

### CASH FLOWS FROM DISCONTINUED OPERATIONS

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

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Basis of preparation of Half-Year Financial Statements

This half-year financial report is a General-Purpose financial report which has been prepared in accordance with the requirements of the Corporations Act 2001, applicable accounting standards including AASB 134 'Interim Financial Reporting', Accounting Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board ('AASB'). Compliance with AASB 134 ensures compliance with IAS 34 'Interim Financial Reporting'.

The half-year financial report does not include full disclosures of the type normally included within the annual financial statements. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Group as the full financial statements.

It is recommended that the half-year financial report be read in conjunction with the annual financial statements for the year ended 30 June 2023 and considered together with any public announcements made by the Group during the half-year ended 31 December 2023 in accordance with the continuous disclosure requirements arising under Corporations Act 2001 and the ASX Listing Rules.

The Group's accounting policies are consistent with the policies adopted for the previous financial year and corresponding interim reporting period with the exception of the below accounting policy disclosed at note 1(c).

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

These half-year financial statements were approved by the Board of Directors on 29<sup>th</sup> of February 2024.

### (b) Going Concern

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

- The Company incurred a loss after tax of \$361,719 (2022: loss of \$1,479,503) and incurred total net cash outflows from operating activities of \$327,328 for the half year ended 31 December 2023 (2022: net cash outflows of \$1,252,689). As at 31 December 2023 the Group had a net current liability position of \$1,473,336 (30 June 2023: net current liability position of \$1,165,426).
- On 27 July 2023, the Company announced that it is discontinuing support for its Pirsee product, and accordingly, July 2023 was the last month that the Group generated revenue.
- The Company's securities were suspended from quotation on the ASX under Listing Rule 17.5 from the commencement of trading on Monday 2 October 2023, for not lodging its annual report for the year ended 30 June 2023 by the required time, which was 5.30pm on 29 September 2023.
- As at the date of this report, the Group has Cash and Cash equivalents on hand of \$2,559 and a net working capital deficit of \$1,541,626.

These conditions indicate a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern and, therefore, that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The company is pursuing new business opportunities and new capital raising opportunities. On 28 February 2024, the Company entered into a non-binding term sheet with two unrelated parties, whereby Assetowl will receive \$50,000 loan funding by 10 March 2024.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The ability of the Group to continue as a going concern will be dependent on the completion of a corporate transaction, which may involve the two unrelated parties referred to above; and all of the following continuing to occur:

- Receipt of \$50,000 by 10 March 2024;
- Deferral of fees payable to directors;
- Deferral of Administration Services fees payable to Tribis Pty Ltd; and
- Compliance with the terms of repayment plans that the Company, or its subsidiary, has with its external creditors.
- Securing of additional funds, which will likely involve a raising of capital through an issue of shares.

As at the date of this report, the Group:

- Will receive \$50,000 pursuant to a loan agreement by 10 March 2024
- has cash and cash equivalents on hand of \$2,559;
- Has received letters from:
  - providers of debt finance to the Company, Tribis Pty Ltd, CEA SMSF Pty Ltd and GEM Syndication Pty Ltd, who are collectively owed \$819,315 including principal, interest and fees;
  - The Company's directors, who are collectively owed \$205,007 at the date of this report; and
  - Tribis Pty Ltd, which is owed \$150,000 in accrued administration service fees.

Advising that they will not require AssetOwl to settle their debts until the Company completes a corporate transaction involving raising of at least \$1,000,000, or until 28 February 2025, being not sooner than 12 months from the date of sign off of this financial report.

- Has a payment plan in place with the Australian Taxation Office, to whom AssetOwl Technologies Pty Ltd owes \$139,534, including future interest charges.
- Has been advised by Confiant Pty Ltd, who has an unsecured loan with the Company and is owed \$130,665 including principal, interest and fees; that the Company will not be required to settle the debt before 30 April 2024.
- Has been advised by parties to whom the Company is indebted to for \$84,825 that the Company will not be required to settle the debt before 30 April 2024.

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

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

### (c) Changes in and adoption of new accounting policies

The Group's accounting policies are consistent with the policies adopted for the previous financial year, except for with respect to accounting for borrowings and trade and other payables.

At 30 June 2023 the Group classified as borrowings, only those liabilities where the counterparty entered into a loan agreement with the Company, or, notwithstanding that there is no loan agreement, the liability to the counterparty arose when the counterparty provide funds to the Company through a cash injection.

At 30 June 2023, the Group classified as Trade and Other payables, all of the Group's liabilities other than those classified as borrowings, as described above, and those liabilities to be settled via a payment to employees, being employee benefits payable. At that date, a substantial portion of the amount in Trade and Other payables included a liability in favour of the Australian Taxation Office to be settled pursuant to a payment plan in place whereby the Group would settle the debt over a period of more than 12 months and incur interest on the debt.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Settlement of debt over a substantially longer payment term than ordinary debts incurred in the course of business and subject to interest is atypical of Trade and other payables, and accordingly, the Group now classifies debts subject to a payment plan as Borrowings.

Further disclosure on this change is provided below at notes 4 and 6.

### 2. PROFIT AND LOSS INFORMATION

#### Expenses

In the current period, the Group has incurred interest expense of \$49,024. Substantially, this interest expense is attributable to loans that are in place and disclosed at note 6 below, \$38,728.

The remaining interest expense in period relates to the Group's payment plan which the Company's subsidiary, 'AssetOwl Technologies Pty Ltd' has in place with the ATO, and interest in relation to directors and officers in insurance premium funding.

### 3. INVENTORIES / ASSETS CLASSIFIED AS HELD FOR SALE

At 30 June 2023 the inventory of the Group comprised of cameras and related accessories

Subsequent to the end of the financial year, consistent with the discontinuation of provision of the Pirsee service, as described at note 2 above, management determined that the items could no longer be classified as inventory, as they will no longer be sold in the ordinary course of business. From this time, the items were then classified as assets held for sale.

Net of costs of disposal and GST, the Group generated net proceeds of \$23,091 from the sale of assets held for sale. At the end of reporting period, management re-measured the value of the remaining items in assets held for sale in accordance with the Group's accounting policy and impairment expense of \$1,462 was recognised. This amount is recognised within other expenses in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

	2023 (\$)
Inventory (Cameras and related accessories)	
Gross	24,064
Inventory Provision	(7,035)
Net balance as at 1 July 2023	17,029
Re-classification to assets held for sale	(17,029)
Net balance as at 31 December 2023	-

	2023 (\$)
Assets held for sale	
Balance as at 1 July 2023	10,344
Re-classification from Inventory	17,029
<b>Gross balance</b>	<b>27,373</b>
Net proceeds from disposal of Assets held for sale	(23,091)
Impairment expense	(1,462)
<b>Net balance as at 31 December 2023</b>	<b>2,820</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 4. TRADE AND OTHER PAYABLES

	31 December 2023 (\$)	30 June 2023 (\$)
Trade creditors and accruals	365,290	217,259
Trade creditors under supplier finance arrangement	5,051	27,638 <sup>(1)</sup>
<b>Total Contractual Liabilities</b>	<b>370,341</b>	<b>244,897</b>
Payroll tax and other statutory liabilities	26,363	101,336
Statutory liabilities under a finance arrangement	-	-*
<b>Total Statutory liabilities</b>	<b>26,363</b>	<b>101,336</b>
<b>Grand Total</b>	<b>396,704</b>	<b>346,233</b>

\*In the Group's 2023 annual report, statutory liabilities under a finance arrangement (\$87,478) were disclosed within trade and other payables, and the total value on the Consolidated Statement of Financial Position was \$433,711. This debt has now been re-classified to borrowings. Refer to note 7 below for further disclosure.

### 5. EMPLOYEE BENEFITS PAYABLE

	31 December 2023 (\$)	30 June 2023 (\$)
<b>Current Liabilities</b>		
Accrued wages and salaries	19,125	39,639
Leave obligations	-	60,317
Notice period liability	-	105,713
	<b>19,125</b>	<b>205,669</b>

As described at note 2 above, during the period the Company discontinued the provision of its Pirsee product. Consistent with this action, commencing in June 2023, the Company took measures to reduce its number of employees, and accordingly it was necessary to recognise a 'notice period liability' in respect of all of the Company's employees at 30 June 2023.

By 25 August 2023 all of the individuals employed by the Company at 30 June 2023 ceased providing their labour for the benefit of the Company and the Company settled all of its owed to its employees as at that date.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 6. BORROWINGS

	31 December 2023 (\$)	30 June 2023 (\$)
Loans pursuant to loan agreements	476,572	437,844
Other Loan (Tribis Pty Ltd)	457,500	156,000
Other Loan (Simon Trevisan)	25,000	25,000
Other loan (Marene Ter)	25,000	-
<b>Subtotal</b>	<b>984,072</b>	<b>618,844</b>
ATO Payment Plan		
Current	84,000	87,478
Non-Current	53,809	-
<b>Subtotal</b>	<b>137,809</b>	<b>87,478</b>
	<b>1,121,881</b>	<b>706,322</b>
Total Current Liability	1,068,072	706,322
Total Non-Current Liability	53,809	-
	<b>1,121,881</b>	<b>706,322</b>

The Company has loans with multiple counterparties, which includes related parties. As at the commencement of the reporting period, the Company had loan agreements with three related parties and one unrelated party. The Company's Chairman, Mr Simon Trevisan is the Managing Director and controlling shareholder of Tribis Pty Ltd. Company Non-Executive Director, Mr Adrian Siah is a director of CEA SMSF Pty Ltd and GEM Syndication Pty Ltd. Confiant Pty Ltd is an un-related party.

During the reporting period, interest has continued to accrue on these loans.

	Principal	Total fees and interest accrued at 1 July 2023	Interest accrued in reporting period (18%)	Balance at 31 December 2023
<b>Loans from related parties</b>				
Tribis Pty Ltd	\$180,000	\$23,817	\$18,404	\$222,221
CEA SMSF Pty Ltd	\$42,000	\$7,217	\$4,275	\$53,492
GEM Syndication Pty Ltd	\$58,000	\$9,822	\$5,890	\$73,712
<b>Subtotal</b>	<b>\$280,000</b>	<b>\$40,856</b>	<b>\$28,569</b>	<b>\$349,425</b>
<b>Loan from an unrelated party</b>				
Confiant Pty Ltd	\$100,000	\$16,988	\$10,159	\$127,147
<b>Subtotal</b>	<b>\$100,000</b>	<b>\$16,988</b>	<b>\$10,159</b>	<b>\$127,147</b>
<b>Grand Total</b>	<b>\$380,000</b>	<b>\$57,844</b>	<b>\$38,728</b>	<b>\$476,572</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The terms of the above loans are consistent with those terms disclosed in the Group's Annual Report for the year ended 30 June 2023, which was provided to the ASX on 2 October 2023. These loans are unsecured.

In respect of each of these loans, their terms provide that each of the following is a default event:

- a) AssetOwl fails to complete a \$375,000 capital raising by 31 March 2023 ("Minimum Capital Raising") or a later date agreed by the lender; and
- b) AssetOwl is involuntarily suspended from the ASX or deregistered from listing on the ASX or no longer meets the requirements to maintain a listing on the ASX;
- c) If AssetOwl or any subsidiary has an insolvency event.

Pursuant to an announcement on the Company's ASX 'dashboard' and indicated at note 1(b) above, on 2 October 2023, the Company was involuntarily suspended from the ASX on that date, a default event occurred during the period.

As the Company remains suspended, the loans remain in default. The terms of the loans have not been re-negotiated, notwithstanding, as disclosed at note 1(b) above, each of the lenders has advised that they will not require AssetOwl to settle their debts until the Company completes a corporate transaction involving raising of at least \$1,000,000, or until 28 February 2025, being not sooner than 12 months from the date of sign off of this financial report.

The total carrying amount of the loans in default at the end of the reporting period amount to \$476,572.

In addition, Tribis Pty Ltd has extended a further unsecured loan to the Company, these funds are provided on an interest-free basis. At 30 June 2023 the amount of funds owed to Tribis was \$156,000, and in the reporting period to 31 December 2023 a further \$326,500 has been provided under this loan. During the period, \$25,000 was repaid to Tribis. Accordingly, the amount owed to Tribis at 31 December 2023 under this loan is \$457,500.

During the reporting period Non-Executive Director, Ms Marene Ter provided a cash loan of \$25,000 to the Company. This loan is unsecured and is provided on an interest free basis. Accordingly, total proceeds from borrowings during the period is \$351,500.

### **Payment plan with Australian Taxation Office**

#### Re-classification of liabilities at the commencement of the reporting period.

At the commencement of the reporting period, the Group disclosed an amount of \$84,478 within trade and other payables on the consolidated statement of financial position.

This was a debt owed to the Australian Taxation Office under a payment arrangement which was implemented in June 2023 and represented PAYG Withholding amounts for the months of March 2023 to May 2023.

At the inception of the plan the total amount of payments required amounted to \$96,599, including estimated General Interest charge (10.46%) of \$9,121. The first payment under the plan was paid in in July 2023, accordingly, the carrying amount of the funding arrangement at 30 June 2023 was \$87,478.

In this reporting period the Group has elected to re-classify this debt to borrowings. The Group believes that re-classifying this debt to the ATO to borrowings results in the financial statements providing more reliable and relevant information, particularly as the amount of this debt is material relative to the amount otherwise disclosed as Trade and Other Payables. Specifically, management is of this opinion because the nature of this debt is dissimilar to the nature of trade and other payables disclosed in the Statement of Financial Position. Management is of this view for reasons including:

- Interest is charged on the debt by the Australian Taxation Office



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

- The debt is repayable over a period which is substantially longer than the Group's normal working capital cycle.

In addition, re-classifying this liability to borrowings results in the Company disclosing amounts paid to the Australian Taxation Office as repayments of borrowings, within the Consolidated Statement of Cash Flows.

### Change in payment plan in the current period.

During the period the value of payment plan with the ATO increased, representing PAYG withholding amounts for the periods June 2023 to August 2023 which were added to the plan. The increase of this debt in this way is a financing transaction that does not have an impact on cash or cash equivalents in the current period.

A reconciliation of the Group's debt to the ATO is set out in the table below. The debt is repayable to the ATO via monthly instalments of \$7,000 over the twenty months to October 2025, accordingly, the amount anticipated to be paid under the plan is \$152,339 (At 30 June 2023, the debt was repayable to the ATO via monthly instalments of \$4,500 over the twenty-one months to March 2025, with the amount anticipated to be paid under the plan amounting to \$96,599).

31 December 2023 (\$)	
<b>Debt at 1 July 2023</b>	
Gross	96,599
Estimated interest	(9,121)
<b>Net Carrying amount at 1 July 2023</b>	<b>87,478</b>
Increase in debt payable	85,974
Interest incurred	7,627
Debt repayment	(43,270)
<b>Net carrying amount at 31 December 2023</b>	<b>137,809</b>

The amount of repayments, \$43,270, includes a portion of principal (\$41,054) and a portion of interest (\$2,216), which is disclosed within cash flows from operating activities and cash flows from financing activities respectively, on the consolidated statement of cash flows.

Accordingly, in the period to 31 December 2023 the total amount of borrowings repaid amounted to \$66,054, including \$25,000 repaid to Tribis, as disclosed above.

### **7. RELATED PARTY INFORMATION**

The nature of the Group's transactions with related parties during the period are consistent with transactions disclosed in the Group's Annual Report for the financial year ended 30 June 2023.

#### **Fees payable to Key Management Personnel and related parties.**

With effect from 1 December 2022, the directors of the Company agreed to accrue their director fees. At 30 June 2023, director fees amounting to \$86,285 were owed to the directors of the Company. In the 6 months to 31 December 2023, the directors continued to accrue their fees and will continue to do so until the Company completes a necessary capital raising and when the Board considers it appropriate to resume paying directors.

Accordingly, accrued director fees payable to directors or their related parties is as follows:

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Director	Total Value
Mr Simon Trevisan	\$65,000
Mr Adrian Siah	\$39,285
Mr Geoff Baldwin	\$36,000
Ms Marene Ter	\$27,000
<b>Total</b>	<b>\$167,285</b>

Consistent with prior reporting periods, Tribis Pty Ltd, of which the Company's Chairman, Mr Simon Trevisan is the Managing Director, provides administration services to the Company, pursuant to an agreement. As with director fees, from 1 December 2022, Tribis agreed to accrue its fees under the agreement, and accordingly, at 31 December 2023, the amount of fees owed pursuant to the agreement is \$130,000.

### Loans with related parties.

As disclosed in the Group's annual report for the year ended 30 June 2023 and at note 6 above, the Group has loans, subject to loan agreements with related parties. During the period, interest continued to accrue on these loans, with no changes to the terms and conditions of the loans.

In addition to these loans, Tribis has a second loan with the Company, which is unsecured and interest free. The amount owing pursuant to this loan at 30 June 2023 was \$156,000, during the period to 31 December 2023 this loan increased to \$457,500.

During the period, Non-Executive Director, Ms Marene Ter, provided a loan to the Company of \$25,000. This loan is unsecured and was provided on an interest free basis.

### Sale of items to a related party.

In August 2023, the Group sold various assets to Trinitas Private Pty Ltd ('Trinitas'), a company of which AssetOwl director, Ms Marene Ter, is a director.

The items sold to Trinitas Private included used cameras, mobile phones and computers which were located in Melbourne, where Ms Ter is based, and accordingly the remaining directors believe it was in the best of the Company to sell them without freighting them back to Western Australia.

Trinitas paid an amount of \$6,000 (inc GST) for the items, and this invoice was settled on 15 August 2023.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 8. DISCONTINUED OPERATION

#### (a) Description

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

#### (b) Financial performance and cash flow information

	31 December 2023 (\$)	31 December 2022 (\$)
Revenue	4,350	62,380
Expenses	(101,622)	(1,251,438)
<b>(Loss) before income tax</b>	<b>(97,272)</b>	<b>(1,189,058)</b>
Income tax benefit	-	-
<b>Loss from discontinued operation</b>	<b>(97,272)</b>	<b>(1,189,058)</b>
Net cash (outflows) from operating activities	(274,411)	(995,891)
Net cash (outflows) from investing activities	-	(30,661)
Net cash inflows from financing activities	272,609	150,000
<b>Net cash (outflows) from discontinued operations</b>	<b>(1,802)</b>	<b>(876,552)</b>

### 9. EVENTS OCCURRING SUBSEQUENT TO THE END OF THE REPORTING PERIOD

#### Execution of Non-binding term sheet

On 29 February 2024, AssetOwl entered into a non-binding term sheet with two unrelated parties, pursuant to that term sheet, and separate loan agreement which the Company entered into on 1 March 2024, the Company will receive \$50,000 by 10 March 2024. Subject to necessary due diligence in respect of the potential transaction, the term sheet will become binding from that date.

No other matters or circumstances have arisen since 31 December 2023 that have significantly affected the Group's operations, results, or state of affairs, or may do so in future reporting periods.

## DIRECTORS' DECLARATION

In the opinion of the directors of AssetOwl Limited:

1. The financial statements and notes set out on pages 7 to 19, are in accordance with the *Corporations Act 2001*, including:
  - (a) giving a true and fair view of the consolidated financial position as at 31 December 2023 and of its performance, for the half year ended on that date; and
  - (b) complying with Australian Accounting Standards AASB 134 Interim Financial Reporting, the Corporation Regulations 2001 and the mandatory professional reporting requirements.
2. There are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



**Simon Trevisan**

Chairman

Dated at Perth, Western Australia, this 6<sup>th</sup> of March 2024.

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of AssetOwl Limited

### Report on the Half-Year Financial Report

#### Conclusion

We have reviewed the half-year financial report of AssetOwl Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (including Independence Standards) (the Code) that are relevant to the audit of the annual 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 the same terms if given to the directors as at the time of this auditor's review report.

#### Material uncertainty relating to going concern

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

### **Responsibility of the directors for the financial report**

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view is free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility for the review of the financial report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**BDO Audit (WA) Pty Ltd**

A handwritten signature in black ink, appearing to be 'Neil Smith', is written over a faint, larger 'BDO' logo.

**Neil Smith**

**Director**

Perth, 6 March 2024