

ASX RELEASE

23 February 2023

Acusensus Appendix 4D and Half-Year Financial Report

In accordance with ASX Listing Rule 4.2A, attached are the Appendix 4D and the Half-Year Financial Report for the six months ending 31 December 2022 (**1H FY23**) for Acusensus Limited (**ASX:ACE**) (**Acusensus**).

The following documents will be provided separately:

- Acusensus 1H FY23 Results Release; and
- Acusensus 1H FY23 Investor Presentation.

END

Enquiries

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Managing Director
Acusensus Limited
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This announcement is authorised by the Board of Acusensus Limited.

About Acusensus

Acusensus is a technology company that was founded in 2018 with a mission to design and develop artificial intelligence enabled road safety solutions. Collaborating with governments and commercial stakeholders to tackle distracted driving globally is Acusensus' first priority.

Acusensus has pioneered intelligent solutions that provide anywhere, anytime digital evidence that can be used in conjunction with law enforcement to drive behavioural change and improve road safety. Acusensus technology is used to detect and provide prosecutable evidence of distracted driving (mobile phone use), seatbelt compliance, speeding, railway crossing compliance and the monitoring of vehicles of interest.

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Acusensus listed on the Australian Securities Exchange in January 2023. Acusensus is headquartered in Melbourne, Australia, with offices also in Sydney, Brisbane, London (UK) and Las Vegas (United States).

Acusensus Limited
Appendix 4D
Half-year report

1. Company details

Name of entity: Acusensus Limited
ABN: 17 625 231 941
Reporting period: For the half-year ended 31 December 2022
Previous period: For the half-year ended 31 December 2021

2. Results for announcement to the market

			\$
Revenues from ordinary activities	up	92.1% to	19,837,768
Loss from ordinary activities after tax attributable to the owners of Acusensus Limited	down	49.3% to	(262,802)
Loss for the half-year attributable to the owners of Acusensus Limited	down	49.3% to	(262,802)

Dividends

There were no dividends paid, recommended or declared for the half-year ended 31 December 2022 nor for the comparative half-year ended 31 December 2021.

Comments

The consolidated entity incurred an operating loss after income tax expense of \$262,802 (31 December 2021: operating loss of \$518,828). The improvement is a result of a full 6 month contribution from the multi-year NSW Mobile Speed contract and Queensland Mobile Phone and Seatbelt Safety contract.

3. Net tangible assets

	31 Dec 2022	31 Dec 2021
	\$	\$
Net tangible assets per ordinary security	<u>0.79</u>	<u>0.71</u>

4. Control gained or lost over entities

Not applicable.

5. Dividends

There were no dividends paid, recommended or declared for the half-year ended 31 December 2022 nor for the comparative half-year ended 31 December 2021.

6. Dividend reinvestment plan

Not applicable.

7. Details of associates and joint venture entities

Not applicable.

Pinnacle Listed Comprehensive Interim Limited
Appendix 4D
Half-year report

8. Foreign entities

The company's foreign entities include Acusensus Inc. (incorporated in the United States) and Acusensus UK Limited (incorporated in the United Kingdom). The company's foreign entities' financial results are compiled in accordance with International Financial Reporting Standards (IFRS).

9. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements were subject to a review by the auditors and the review report is attached as part of the half-year financial statements.

10. Attachments

Details of attachments (if any):

The half-year financial statements of Acusensus Limited for the half-year ended 31 December 2022 is attached.

11. Signed

Signed



Alexander Jannink
Director
Melbourne, Australia

Date: 22 February 2023



Acusensus Limited

ACN 625 231 941

Half-Year Financial Statements – 31 December 2022



The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Acusensus Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2022.

Directors

The following persons were directors of Acusensus Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Alexander Jannink
Ravin Mirchandani
Thomas Patterson
Sue Klose (appointed 12 January 2023)

Principal activities

During the financial half-year the principal activities of the consolidated entity consisted of the provision of world-leading technology to detect and capture prosecutable evidence of drivers' illegal mobile phone use, seatbelt use, and speed detection.

Review of operations

The consolidated entity incurred an operating loss after income tax expense of \$262,802 (31 December 2021: operating loss of \$518,828).

The improvement is a result of a full 6 month contribution from the multi-year NSW Mobile Speed contract and Queensland Mobile Phone and Seatbelt Safety contract.

The company entered into a minimum three-year term Mobile Device Detection Cameras Services Agreement with the ACT Government on 4 November 2022. The agreement has the potential to be extended for two one-year periods, at the option of the ACT Government. The contract is estimated to generate approximately \$9.1 million (including GST) over the maximum five-year term. Initial services under the agreement commenced on 1 February 2023.

In October 2022, the NSW Government announced the requirements for roadside signage to be displayed for all mobile speed camera deployments, positioned before and after vehicles during enforcement operations from 1 January 2023. As a result, the company and Transport for NSW entered into a variation agreement on 29 December 2022 to amend the MSC contract to reflect the provision of signage and resultant changes to the services that the company provides under the MSC contract.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

On 12 January 2023, the company announced its successful listing on the Australian Securities Exchange (ASX). The company raised \$20.0 million gross proceeds, before transaction costs, through the issue of 5.0 million fully paid ordinary shares at an offer price of \$4.00 per share.

The company has entered into a Standing Offer Arrangement and subsequent contract with the Queensland Department of Transport and Main Roads for the provision of trailer-based road safety speed camera services using the Acusensus Harmony solution. The agreement has an initial term of five years from the date of execution, with an option to renew for two further periods of up to 12 months each. The Queensland Department of Transport and Main Roads may terminate the agreement at any time with 90 days written notice. The estimated total contract value over the initial five-year term is approximately \$11.7 million (including GST).

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.



Rounding of amounts

The company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report and forms part of the directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in blue ink, appearing to read 'Alexander Jannink', written over a horizontal line.

Alexander Jannink
Director

22 February 2023
Melbourne, Australia

DECLARATION OF INDEPENDENCE BY SALIM BISKRI TO THE DIRECTORS OF ACUSENSUS LIMITED

As lead auditor for the review of Acusensus Limited for the half-year ended 31 December 2022, 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 Acusensus Limited and the entities it controlled during the period.



Salim Biskri
Director

BDO Audit Pty Ltd

Melbourne, 22 February 2023

Acusensus Limited
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31 December 2022



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General information

The financial statements cover Acusensus Limited as a consolidated entity consisting of Acusensus Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Acusensus Limited's functional and presentation currency.

Acusensus Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 6, 31 Queen Street
Melbourne, VIC 3000

A description of the nature of the consolidated entity's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 22 February 2023. The directors have the power to amend and reissue the financial statements.

Acusensus Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2022



		Consolidated	
	Note	31 Dec 2022	31 Dec 2021
		\$	\$
Revenue	2	19,837,768	10,329,243
Other income	3	246,216	91
Expenses			
Cost of services		(11,401,055)	(6,109,316)
Employee benefits	4	(3,871,546)	(2,191,641)
Depreciation and amortisation	4	(2,047,243)	(1,266,626)
Administration	4	(1,364,245)	(665,828)
IPO transaction costs	4	(674,639)	-
Contracting		(589,695)	(541,747)
Impairment of property, plant and equipment		(220,298)	-
Marketing		(137,468)	(54,722)
Finance costs	4	(40,597)	(18,282)
Loss before income tax		(262,802)	(518,828)
Income tax benefit		-	-
Loss after income tax for the half-year attributable to the owners of Acusensus Limited		(262,802)	(518,828)
Other comprehensive income/(loss) for the half-year, net of tax:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		20,661	3,875
Total comprehensive loss for the half-year attributable to the owners of Acusensus Limited		<u>(242,141)</u>	<u>(514,953)</u>
		Cents	Cents
Basic loss per share	15	(0.01)	(0.03)
Diluted loss per share	15	(0.01)	(0.03)

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

Acusensus Limited
Consolidated statement of financial position
As at 31 December 2022



		Consolidated	
	Note	31 Dec 2022	30 Jun 2022
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	5	3,993,938	8,606,528
Trade and other receivables	6	7,180,812	3,637,636
Contract assets		784,404	606,644
Inventories		1,950,417	1,902,553
Other assets	7	1,379,180	-
Total current assets		<u>15,288,751</u>	<u>14,753,361</u>
Non-current assets			
Property, plant and equipment	9	7,904,573	8,171,378
Right-of-use assets	8	2,714,482	2,298,258
Intangibles	10	922,712	572,773
Deferred tax asset		263,780	263,780
Other assets		137,504	104,211
Total non-current assets		<u>11,943,051</u>	<u>11,410,400</u>
Total assets		<u>27,231,802</u>	<u>26,163,761</u>
Liabilities			
Current liabilities			
Trade and other payables	11	6,527,574	5,939,349
Contract liabilities		122,268	248,545
Lease liabilities	12	1,429,990	1,189,583
Provisions		735,688	683,645
Total current liabilities		<u>8,815,520</u>	<u>8,061,122</u>
Non-current liabilities			
Lease liabilities	12	1,406,526	1,139,909
Provisions		288,509	199,090
Total non-current liabilities		<u>1,695,035</u>	<u>1,338,999</u>
Total liabilities		<u>10,510,555</u>	<u>9,400,121</u>
Net assets		<u>16,721,247</u>	<u>16,763,640</u>
Equity			
Issued capital	13	18,833,139	18,831,559
Reserves	14	1,754,208	1,535,379
Accumulated losses		<u>(3,866,100)</u>	<u>(3,603,298)</u>
Total equity		<u>16,721,247</u>	<u>16,763,640</u>

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

Acusensus Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2022



Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2021	18,831,559	1,267,280	(5,028,629)	15,070,210
Loss after income tax for the half-year	-	-	(518,828)	(518,828)
Other comprehensive income for the half-year, net of tax	-	3,875	-	3,875
Total comprehensive loss for the half-year	-	3,875	(518,828)	(514,953)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	-	-	-	-
Share-based payments	-	-	-	-
Balance at 31 December 2021	<u>18,831,559</u>	<u>1,271,155</u>	<u>(5,547,457)</u>	<u>14,555,257</u>

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	18,831,559	1,535,379	(3,603,298)	16,763,640
Loss after income tax for the half-year	-	-	(262,802)	(262,802)
Other comprehensive income for the half-year, net of tax	-	20,661	-	20,661
Total comprehensive loss for the half-year	-	20,661	(262,802)	(242,141)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	1,580	-	-	1,580
Share-based payments	-	198,168	-	198,168
Balance at 31 December 2022	<u>18,833,139</u>	<u>1,754,208</u>	<u>(3,866,100)</u>	<u>16,721,247</u>

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

Acusensus Limited
Consolidated statement of cash flows
For the half-year ended 31 December 2022



	Note	Consolidated 31 Dec 2022 \$	Consolidated 31 Dec 2021 \$
Cash flows from operating activities			
Receipts from customers		18,043,512	8,324,417
Government grants and stimulus received		36,600	-
Other income		207,691	-
Payments to suppliers and employees		(19,244,905)	(10,112,014)
Interest received		1,924	91
Interest paid		<u>(40,597)</u>	<u>(18,282)</u>
Net cash used in operating activities	17	<u>(995,775)</u>	<u>(1,805,788)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(1,114,205)	(3,929,169)
Payments for intangibles		<u>(523,544)</u>	<u>(92,561)</u>
Net cash used in investing activities		<u>(1,637,749)</u>	<u>(4,021,730)</u>
Cash flows from financing activities			
Proceeds from issue of shares		1,580	-
Capitalised IPO transaction costs		(1,379,180)	-
Repayment of borrowings		-	(287,952)
Repayment of lease liabilities		<u>(577,561)</u>	<u>(532,523)</u>
Net cash used in financing activities		<u>(1,955,161)</u>	<u>(820,475)</u>
Net decrease in cash and cash equivalents		(4,588,685)	(6,647,993)
Cash and cash equivalents at the beginning of the financial half-year		8,606,528	12,327,137
Effects of exchange rate changes on cash and cash equivalents		<u>(23,905)</u>	<u>3,875</u>
Cash and cash equivalents (inclusive of restricted balances) at the end of the financial half-year	5	<u><u>3,993,938</u></u>	<u><u>5,683,019</u></u>

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



Note 1. Significant accounting policies

These general purpose financial statements for the half-year reporting period ended 31 December 2022 have been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001, as appropriate for for-profit oriented entities.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2022 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding half-year reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Operating segments

Identification of reportable operating segments

These operating segments are identified based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and in determining the allocation of resources. Similar operating segments can be aggregated to form one reportable segment. Accordingly, the consolidated entity only operates as one segment.

Accounting policy for operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Board of Directors. The Directors is responsible for the allocation of resources to operating segments and assessing their performance.

Going concern

Despite the consolidated entity incurring an operating loss after income tax expense of \$262,802 (31 December 2021: operating loss of \$518,828) and operating cash outflows of \$995,775 (31 December 2021: operating cash outflows of \$1,805,788) the consolidated entity financial statements have been prepared on the going concern basis of accounting, which assumes the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business for the following reasons:

- As at 31 December 2022, the consolidated entity had a net current asset position of \$6,473,231 (30 June 2022: net current asset of \$6,692,239) and net asset position of \$16,721,247 (30 June 2022: net asset position of \$16,763,640).
- Subsequent to the end of the financial half-year, the consolidated entity announced that it has listed on the Australian Securities Exchange (ASX). The total amount raised was \$20.0 million.
- Additional contracts have been secured with the ACT Government, the NSW Government and the Queensland Department of Transport and Main Roads which are expected to generate new revenue beyond 31 December 2022.



Note 2. Revenue

	Consolidated	
	31 Dec 2022	31 Dec 2021
	\$	\$
<i>Revenue from contracts with customers</i>		
Rendering of services	19,811,943	10,162,840
Sale of goods	25,825	166,403
	<u>19,837,768</u>	<u>10,329,243</u>
Revenue	<u>19,837,768</u>	<u>10,329,243</u>

Note 3. Other income

	Consolidated	
	31 Dec 2022	31 Dec 2021
	\$	\$
Insurance proceeds	207,691	-
Government grants	36,600	-
Interest revenue	1,925	91
	<u>246,216</u>	<u>91</u>
Other income	<u>246,216</u>	<u>91</u>

Insurance proceeds is compensation associated with the impairment of property, plant and equipment of \$220,298.



Note 4. Expenses

	Consolidated	
	31 Dec 2022	31 Dec 2021
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Employee benefits</i>		
Salaries and wages	2,762,772	1,597,764
Share based payments expense	198,168	90,000
Defined contribution superannuation expense	513,912	320,155
Other	396,694	183,722
	<u>3,871,546</u>	<u>2,191,641</u>
<i>Depreciation and amortisation</i>		
Depreciation - property, plant and equipment	1,205,816	637,437
Depreciation - right-of-use assets	668,436	549,195
Amortisation	172,991	79,994
	<u>2,047,243</u>	<u>1,266,626</u>
<i>Administration</i>		
Travel expense	297,924	105,476
Software and subscription expense	205,644	129,676
Professional fees	179,225	121,073
Insurance expense	167,342	67,922
Utilities expense	100,087	56,556
Motor vehicle expense	83,423	59,000
Rent expense	55,016	27,391
Prototype expense	41,769	26,714
Freight and courier expense	23,444	13,681
Training expense	22,299	110
Office expense	19,001	11,112
Donations	15,000	-
Net foreign exchange loss	12,767	10,262
Other expenses	141,304	36,855
	<u>1,364,245</u>	<u>665,828</u>
<i>IPO transaction costs</i>		
IPO transaction costs	674,639	-
	<u>674,639</u>	<u>-</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	5,646	908
Interest and finance charges paid/payable on lease liabilities	34,951	17,374
	<u>40,597</u>	<u>18,282</u>

IPO transaction costs represent those costs of raising capital which are not directly attributable to the new shares issued under the offer.



Note 5. Cash and cash equivalents

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
Current assets		
<i>Unrestricted</i>		
Cash on hand	490	490
Cash at bank	2,740,723	7,353,713
	<u>2,741,213</u>	<u>7,354,203</u>
<i>Restricted</i>		
Cash at bank	1,252,725	1,252,325
	<u>1,252,725</u>	<u>1,252,325</u>
	<u>3,993,938</u>	<u>8,606,528</u>

Restricted cash balance represents cash held by the entity as required under its bank guarantee arrangements. The cash held is not available for the purposes of the group's operations.

Note 6. Trade and other receivables

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
<i>Current assets</i>		
Trade receivables	5,866,044	2,858,111
Other receivables	1,314,768	779,525
	<u>7,180,812</u>	<u>3,637,636</u>

Note 7. Other current assets

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
<i>Current assets</i>		
Other assets	1,379,180	-
	<u>1,379,180</u>	<u>-</u>

Other current assets pertain to IPO related costs.



Note 8. Right-of-use assets

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
<i>Non-current assets</i>		
Building right-of-use assets – at cost	1,592,401	600,302
Less: Accumulated depreciation	<u>(448,908)</u>	<u>(260,046)</u>
	<u>1,143,493</u>	<u>340,256</u>
Vehicle right-of-use assets – at cost	3,014,509	2,922,024
Less: Accumulated depreciation	<u>(1,443,520)</u>	<u>(964,022)</u>
	<u>1,570,989</u>	<u>1,958,002</u>
Right-of-use assets	<u><u>2,714,482</u></u>	<u><u>2,298,258</u></u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Building	Motor	Total
	\$	vehicles	\$
	\$	\$	\$
Balance at 30 June 2022	340,256	1,958,002	2,298,258
Additions and modifications	992,099	92,485	1,084,584
Foreign exchange movements	76	-	76
Depreciation expense	<u>(188,938)</u>	<u>(479,498)</u>	<u>(668,436)</u>
Balance at 31 December 2022	<u><u>1,143,493</u></u>	<u><u>1,570,989</u></u>	<u><u>2,714,482</u></u>

Note 9. Property, plant and equipment

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
<i>Non-current assets</i>		
Motor vehicles - at cost	848,285	838,953
Less: Accumulated depreciation	<u>(431,064)</u>	<u>(292,724)</u>
	<u>417,221</u>	<u>546,229</u>
Computer equipment - at cost	395,735	340,050
Less: Accumulated depreciation	<u>(194,435)</u>	<u>(149,756)</u>
	<u>201,300</u>	<u>190,294</u>
Office equipment - at cost	176,960	122,933
Less: Accumulated depreciation	<u>(67,333)</u>	<u>(44,890)</u>
	<u>109,627</u>	<u>78,043</u>
Camera equipment - at cost	10,089,198	9,314,335
Less: Accumulated depreciation	<u>(2,912,773)</u>	<u>(1,957,523)</u>
	<u>7,176,425</u>	<u>7,356,812</u>
Property, plant and equipment	<u><u>7,904,573</u></u>	<u><u>8,171,378</u></u>



Note 9. Property, plant and equipment (continued)

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Motor vehicles \$	Computer equipment \$	Office equipment \$	Camera equipment \$	Total \$
Balance at 30 June 2022	546,229	190,294	78,043	7,356,812	8,171,378
Additions	9,332	55,685	54,027	995,161	1,114,205
Foreign exchange movements	(207)	9	12	45,290	45,104
Impairment	-	-	-	(220,298)	(220,298)
Depreciation expense	(138,133)	(44,688)	(22,455)	(1,000,540)	(1,205,816)
Balance at 31 December 2022	<u>417,221</u>	<u>201,300</u>	<u>109,627</u>	<u>7,176,425</u>	<u>7,904,573</u>

Note 10. Intangibles

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
<i>Non-current assets</i>		
Capitalised development costs – at cost	1,342,106	865,162
Less: Accumulated amortisation	(465,994)	(292,389)
	<u>876,112</u>	<u>572,773</u>
Website – at cost	46,600	-
Less: Accumulated amortisation	-	-
	<u>46,600</u>	<u>-</u>
Intangibles	<u>922,712</u>	<u>572,773</u>

Reconciliations

Reconciliations of the written down values at the beginning and end of the current financial half-year are set out below:

Consolidated	Capitalized development costs \$	Website \$	Total \$
Balance at 30 June 2022	572,773	-	572,773
Additions	476,944	46,600	523,544
Foreign exchange movements	(614)	-	(614)
Amortisation expense	(172,991)	-	(172,991)
Balance at 31 December 2022	<u>876,112</u>	<u>46,600</u>	<u>922,712</u>

Website costs are amortised on a straight-line basis over the period of its expected benefit, being its finite life of 5 years. Website was not ready for use until subsequent to the half-year end, hence no amortization incurred for the half-year ended 31 December 2022.



Note 11. Trade and other payables

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
<i>Current liabilities</i>		
Trade payables	1,951,555	1,808,504
IPO related costs	345,624	-
Other payables	4,230,395	4,130,845
	<u>6,527,574</u>	<u>5,939,349</u>

Note 12. Lease liabilities

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
<i>Current liabilities</i>		
Lease liability	<u>1,429,990</u>	<u>1,189,583</u>
<i>Non-current liabilities</i>		
Lease liability	<u>1,406,526</u>	<u>1,139,909</u>
	<u>2,836,516</u>	<u>2,329,492</u>

Note 13. Issued capital

	Consolidated			
	31 Dec 2022	30 Jun 2022	31 Dec 2022	30 Jun 2022
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>20,114,995</u>	<u>20,014,995</u>	<u>18,833,139</u>	<u>18,831,559</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	30 June 2022	20,014,995		18,831,559
Conversion of share options	10 August 2022	100,000	\$0.02	1,580
Balance	31 December 2022	<u>20,114,995</u>		<u>18,833,139</u>

Note 14. Reserves

	Consolidated	
	31 Dec 2022	30 Jun 2022
	\$	\$
Foreign currency reserve	21,557	896
Employee equity benefits reserve	1,732,651	1,534,483
	<u>1,754,208</u>	<u>1,535,379</u>



Note 15. Earnings per share

	Consolidated	
	31 Dec 2022	31 Dec 2021
	\$	\$
Loss after income tax attributable to the owners of Acusensus Limited	<u>(262,802)</u>	<u>(518,828)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>20,064,995</u>	<u>17,280,630</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>20,064,995</u>	<u>17,280,630</u>
	Cents	Cents
Basic loss per share	(0.01)	(0.03)
Diluted loss per share	(0.01)	(0.03)

Note 16. Events after the reporting period

On 12 January 2023, the company announced its successful listing on the Australian Securities Exchange (ASX). The company raised \$20.0 million gross proceeds, before transaction costs, through the issue of 5.0 million fully paid ordinary shares at an offer price of \$4.00 per share.

The company has entered into a Standing Offer Arrangement and subsequent contract with the Queensland Department of Transport and Main Roads for the provision of trailer-based road safety speed camera services using the Acusensus Harmony solution. The Agreement has an initial term of five years from the date of execution, with an option to renew for two further periods of up to 12 months each. The Queensland Department of Transport and Main Roads may terminate the agreement at any time with 90 days written notice. The estimated total contract value over the initial five-year term is approximately \$11.7 million (including GST).

No other matter or circumstance has arisen since 31 December 2022 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.



Note 17. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	31 Dec 2022	31 Dec 2021
	\$	\$
Loss after income tax expense for the half-year	(262,802)	(518,828)
Adjustments for:		
Depreciation and amortisation	2,047,243	1,266,626
Impairment	220,298	-
Share-based payments	198,168	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	(3,543,176)	(3,206,956)
Increase in contract assets	(177,760)	213,059
Increase in inventories	(47,864)	(1,062,336)
Increase in other assets	(33,293)	(11,599)
Increase in trade and other payables	588,226	1,478,219
Decrease in contract liabilities	(126,277)	-
Increase in employee benefits	141,462	36,027
Net cash used in operating activities	<u>(995,775)</u>	<u>(1,805,788)</u>



In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial half-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.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

A handwritten signature in blue ink, appearing to read 'Alexander Jannink', written over a horizontal line.

Alexander Jannink
Director

22 February 2023
Melbourne, Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Acusensus Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Acusensus Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, 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 2022 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.

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 and 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 2022 and its financial 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 Pty Ltd

BDO

A handwritten signature in blue ink, appearing to read 'Salim Biskri', with a long horizontal flourish extending to the right.

Salim Biskri
Director

Melbourne, 22 February 2023