Appendix 4E

Preliminary final report

Part 1 – Details of Entity, Reporting Period

Name of Entity	AssetOwl Limited
ABN	12 122 727 342
Financial Year Ended	12 months ended 30 June 2023
Previous Corresponding Reporting Period	12 months ended 30 June 2022

Part 2 – Results for Announcement to the Market

	$	Percentage increase/ (decrease) over previous corresponding period
Revenue from ordinary activities	90,318	10%
Loss from ordinary activities after tax attributable to members	(3,781,881)	65.81%
Net loss attributable to members	(3,781,881)	65.81%

Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Record date for determining entitlements to the dividends (if any)	Not Applicable	

Brief explanation of any of the figures reported above necessary to enable the figures to be understood:

There was a 10% increase in revenue generated in the 2023 financial year from the Company's software products, this was achieved on the back of an increase in the number customers which used the Company's flagship product, Pirsee, during the year.

As in prior years, the Company incurred substantial salary and wages expenditure and payments to contractors, these costs increased during the year as the Company continued to expand the Pirsee offering.

Subsequent to the end of the year the Company announced that it would discontinue marketing the Pirsee product to its present customer base on the present cost structure of the Group. To this end, in the financial statements, it has been necessary to recognise some additional expenses including within employment costs and impairment expense which included impairment of the Group's Goodwill asset to nil.

Part 3 – Contents of ASX Appendix 4E

Part 4 – Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Parts	2023 ($)	2022 ($
INCOME			
Revenue	12	90,318	81,804
Other Income	9	5,501	192,703
EXPENSES			
Cost of sales		(21,948)	(17,173)
Accounting and audit expenses		(78,257)	(64,333)
Legal expenses		(26,771)	(37,889)
Corporate and administrative expenses		(318,838)	(314,659)
Professional consultant and contractor fees		(486,752)	(433,550)
Share Based Payments expense		(12,739)	(31,007)
Employee benefit expenses	9	(1,492,031)	(880,109)
Data Migration Costs		(11,041)	(11,756)
Advertising and Marketing		(40,510)	(114,388)
Subscriptions		(160,625)	(103,856)
Research and development expenses		-	(435,315)
Depreciation		(15,482)	(5,570)
Finance Costs		(60,479)	-
Impairment expense	9	(1,108,439)	-
Other expenses from ordinary activities		(43,788)	(105,783)
(LOSS) BEFORE INCOME TAX		**(3,781,881)**	**(2,280,881)**
Income tax benefit		-	-
(LOSS) FOR THE YEAR		**(3,781,881)**	**(2,280,881)**
Loss is attributable to:			
Owners of AssetOwl Limited		(3,781,881)	(2,280,881)
NET (LOSS) FOR THE YEAR		**(3,781,881)**	**(2,280,881)**
TOTAL COMPREHENSIVE (LOSS) FOR THE YEAR		**(3,781,881)**	**(2,280,881)**
Total comprehensive (loss) for the year is attributable to			
Owners of AssetOwl Limited		(3,781,881)	(2,280,881)
Basic loss (cents per share)	25	(0.23)	(0.22)

Part 5 – Consolidated Statement of Financial Position

	Parts	2023 ($)	2022 ($)
CURRENT ASSETS			
Cash and cash equivalents		48,020	1,219,901
Trade and other receivables	14	17,405	230,425
Inventories	15	17,029	37,092
Prepayments and Other Assets	16	-	11,911
		82,454	**1,499,329**
Assets classified as held for sale	16	10,344	-
TOTAL CURRENT ASSETS		**92,798**	**1,499,329**
NON-CURRENT ASSETS			
Property, plant and equipment	16	-	12,957
Intangible assets (goodwill)	17	-	1,066,201
TOTAL NON-CURRENT ASSETS		**-**	**1,079,158**
TOTAL ASSETS		**92,798**	**2,578,487**
CURRENT LIABILITIES			
Trade and other payables	18	433,711	193,702
Employee Benefits payable	19	205,669	150,868
Borrowings	20	618,844	-
TOTAL CURRENT LIABILITIES		**1,258,224**	**344,570**
TOTAL LIABILITIES		**1,258,224**	**344,570**
NET (LIABILITIES) / ASSETS		**(1,165,426)**	**2,233,917**
EQUITY			
Contributed equity	21	23,542,881	23,173,082
Reserves		99,687	86,948
Accumulated losses	6	(24,807,994)	(21,026,113)
TOTAL EQUITY		**(1,165,426)**	**2,233,917**

Part 6 – Consolidated Accumulated Loss

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

Part 7 – Consolidated Statement of Cash Flows

	Parts	2023 ($)	2022 ($)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		112,343	80,441
Receipt of R&D Tax Incentive		189,970	422,657
Payments to suppliers and employees		(2,377,402)	(2,435,144)
Interest paid		(1,431)	-
Interest received		4,501	2,733
NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES	22	**(2,072,019)**	**(1,929,313)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from disposal of Property, Plant & Equipment	16	27,273	-
Payments to acquire Property, Plant & Equipment	16	(57,934)	(14,410)
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES		**(30,661)**	**(14,410)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	21	375,000	2,267,774
Payment of Share Issue Costs	21	(5,201)	(122,838)
Proceeds from borrowings	20	633,000	-
Repayment of borrowings	20	(72,000)	-
NET CASH INFLOW FROM FINANCING ACTIVITIES		**930,799**	**2,144,936**
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS HELD		**(1,171,881)**	**201,213**
Cash and cash equivalents at beginning of year		1,219,901	1,018,688
CASH AND CASH EQUIVALENTS AT END OF YEAR		**48,020**	**1,219,901**

Part 8 – Discontinuation of Pirsee Service

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

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

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

- revenue and associated assets (part 12);
- employee benefits expenses (part 9);
- Inventories (part 15);
- property, plant and equipment (part 16);
- goodwill (part 17); and
- employee benefits payable (part 19).

In the 2024 financial year, in the absence of the Group re-commencing the provision of the Pirsee service there will be a material reduction in both revenue and expenditure.

The Group will continue to incur corporate expenditure whilst the directors continue to pursue opportunities to raise capital and complete a corporate transaction.

Part 9 – Commentary on Results

The Group's net loss result increased in the 2023 financial year relative to the 2022 financial year, by 66%.

Consistent with disclosure at Part 12 below, in the financial year the Group generated increased revenues of circa 10%. Whilst not a material increase, the increase in revenue was generated through an increase in paying Pirsee customers from 16 (30 June 2022) to 27 (30 June 2023).

The Group's loss for the year increased by $1,501,000 (66%), to varying extents, this has resulted from:

- reduction in Research and Development incentive claimed, from $189,970 to nil. Related to this, is a prima-facie increase in employee benefit expenses and a reduction in research and development expenses to nil (in the comparative year, a re-allocation of expenditure is recognised from the former to the latter category).
- Increase in finance costs arising from borrowings (refer to Part 20)
- Recognition of costs associated with the discontinuation of the Pirsee service to our current customers, recognised within impairment expense and employee benefits expense ($105,713, refer to Part 19).
- Impairment of the Group's Goodwill asset from $1,066,201 down to nil (refer to Part 17).

The Group's basic (loss) per ordinary share was 0.23 cents per share (2022: loss of 0.22 cents per share).

Part 10 – Going Concern

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

For the year ended 30 June 2023 the Group made a loss of $3,781,881 (2022: loss of $2,280,881) and had cash outflows from operating activities of $2,072,019 (2022: cash outflows of $1,929,313). As at 30 June 2023 the Group had a net current liability position of $1,165,426 (30 June 2022: net current asset position of $1,154,759). As at 31 August 2023, the Group has Cash and Cash equivalents on hand of $37,982. 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.

A substantial portion of the debts of AssetOwl Limited is loans provided by directors of the Company (or their related parties), these debts may be settled the election of underlying director in the manner described at page 29 below, notwithstanding, the directors who have provided loans will not call upon the loans to be settled until the Company completes a capital raising of at least $1,000,000. It is anticipated that, subject to shareholder approval, a portion of the debts owed will be settled via the issue of shares in the Company.

Debts of the Company at 30 June 2023 includes $156,285 owed to Tribis Pty Ltd for administration services provided and director fees accrued. The Company will continue accrue fees payable to Tribis and directors until the Company has the financial capacity to resume paying fees.

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

- Financial support from Tribis Pty Ltd, a company related to the Company's Chairman, Mr Simon Trevisan; and
- The completion of a capital raising, which is likely to require the completion of a corporate transaction.

As at 31 August 2023, the Group:

- Has $37,982 cash and cash equivalents on hand;
- Has received a letter of support from Tribis Pty Ltd guaranteeing the debts of the Group for a 12-month period from 31 August 2023, or the completion of a completion of a corporate transaction which generates a capital injection of at least $500,000, whichever is the earlier.
- Has implemented steps to reduce its cash outflows, with annualised employment expenses of more than $1.2m removed from the Group since 30 June 2023.

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

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

Part 11 – Statement of Significant Accounting Policies

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

(a) General Information

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

(b) Basis of Preparation

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

Compliance with IFRS

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

The Financial Statements were approved by the Board of Directors on 31 August 2023.

Historical cost convention

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

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

(c) New or amended Accounting Standards and Interpretations adopted

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

- Current assets held for sale;
- Provisions;
- Borrowings; and
- Derivatives.

Current assets held for sale

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

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

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

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

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

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

Provisions

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

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

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

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

Borrowings

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

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

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

Derivatives

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

- its value changes in response to the change in a specified interest rate, financial instrument price,

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

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

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

(d) Comparative Figures

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

(e) Principles of Consolidation

Subsidiaries

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

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

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

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

(f) Significant accounting judgements, estimates and assumptions

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

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

Impairment of Goodwill

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

Valuation of Financial Liabilities at Fair Value Through Profit or Loss

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The group uses its judgement and makes assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of the key assumptions see part 20 below.

(g) Revenue

Licensing of Pirsee

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

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

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

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

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

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

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

Accounting for costs to fulfil a contract

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

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

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

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

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

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

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

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

Management platform

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

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

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

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

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

(h) Other Income

Interest Income

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

Research and Development tax incentive benefit

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

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

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

(i) Share based payments

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

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

The grant date fair value of share-based payments granted to employees (including Key Management

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

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

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

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

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

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

(j) Income Tax Expense or Benefit

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

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

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences can be utilised.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income taxation legislation and the anticipation that the economic entity will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

(k) Cash and Cash Equivalents

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

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

(l) Trade receivables

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components when they are recognised at fair value. They are subsequently measured at amortised cost using the effective interest method, less loss allowance. See part 14 for further information about the group's accounting for trade receivables.

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

(m) Other Receivables

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

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

(n) Inventory

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

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

(o) Property, Plant and Equipment

Recognition and measurement

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

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

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

(p) Intangible Assets

Goodwill

Goodwill arises from business acquisitions and measured as the excess of: the consideration transferred; amount of any non-controlling interest in the acquired entity; and the acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired.

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

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

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

(q) Trade and Other Payables

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

(r) Employee Benefits

Short-term Employee Benefit Obligations

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

Other long-term Employee Benefit Obligations

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

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

(s) Financial Assets

Classification

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

Recognition and derecognition

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

Measurement

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

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

(t) Financial Liabilities

Classification

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

Recognition and derecognition

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

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

Measurement

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

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(u) Goods and Services Tax (GST)

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

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

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

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

(v) Impairment of Assets

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

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

Financial Assets

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

Non-Financial Assets

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

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

(w) Contributed Equity

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

(x) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing:

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

Diluted earnings per share

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

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

Part 12 – Revenue

	2023 ($)	2022 ($)
REVENUE FROM CUSTOMERS		
Pirsee property inspection platform		
Revenue from Services (Pirsee)	56,838	11,855
Revenue from Goods (Cameras)	6,000	15,709
Management Platform		
Revenue from Services (Management Platform)	27,480	54,240
	90,318	**81,804**

Timing of Revenue recognition		
At a point in time	6,000	15,709
Over time	84,318	66,095
	90,318	**81,804**

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

In respect of the management platform, in the current financial year, and the comparative year, the Group generated revenue from one customer.

Assets related to contracts with customers

The Group incurs costs to migrate historical rental property data in relation its agency customers. A portion of these costs is capitalised and amortised pursuant to the stated accounting policy at part 11 (g) above.

Notwithstanding, at the end of the financial year it was anticipated that the Company would need to discontinue generating revenue from its current customers, and accordingly, at 30 June 2023 an impairment expense to reduce the value of the capitalised data migration costs to nil has been recognised. It is, nonetheless, necessary to recognise a cost associated with providing the Pirsee service to customers in the financial year to 30 June 2023.

The proportion of data migration costs which is amortised in the reporting period is recognised within cost of sales, for the 2023 financial year the amount was $16,391 (year ended 30 June 2022: $3,415). In the year to 30 June 2023 this amount includes amortisation of costs incurred to 30 June 2022 which were not fully amortised at that date.

In the comparative year, ending 30 June 2022:

- Costs which are amortised related only to agencies which are paying customers at that date, net of amortisation the value of costs capitalised amounted to $11,911 this cost is reported on the Consolidated Statement of Financial Position within Prepayments and Other Assets (note 9). As disclosed within this note above, at 30 June 2023, the value of this asset is nil.

- The proportion of data migration costs incurred in the year which relates to agencies on trial at 30 June 2022 and the cost which relates to agencies who commenced trials and did not progress to paying status was recognised in data migration costs on the Consolidated Statement of Profit or Loss and Other Comprehensive Income, being $11,755.

Part 13 – Financial Risk Management

(a) Overview

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

- Credit risk
- Liquidity risk
- Market risk

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

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

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

The Group holds the following financial instruments.

	2023 ($)	2022 ($)
FINANCIAL ASSETS		
Cash and cash equivalents	48,020	1,219,901
Trade Receivables	7,559	20,889
	55,579	**1,240,790**
FINANCIAL LIABILITIES		
Trade and other payables	248,120	93,772
Borrowings	618,844	-
Derivative Financial Instruments	Nil	-
	866,964	**93,772**

(b) Financial Risk Management Objectives

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

Credit Risk

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

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

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

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

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

Liquidity Risk

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

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

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

	Part	Carrying Amount ($)	Contractual Cash Flows ($)	6 Months or less ($)
30 June 2023				
Trade and other payables	18	(244,897)	(247,568)	(247,568)
Borrowings	20	(618,844)	(618,844)	(618,844)
30 June 2022				
Trade and other payables		(93,772)	(93,772)	(93,772)

This table above includes the Group's borrowings, which are further described below at Part 20. In respect of a substantial portion of the debt, there is an unavoidable obligation on the Group to settle the debt through the payment of cash as the terms of the loans afford the lender the opportunity to require the debt to be settled in cash, shares or a combination thereof.

Market Risk

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

Interest Rate Risk

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

Profile

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

Variable Rate Instruments

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

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

	Weighted Average Effective Interest Rate	Total ($)	Weighted Average Effective Interest Rate	Total ($)
	2023	**2023**	**2022**	**2022**
Financial Assets				
Cash and cash equivalents	0.30%	48,020	0.60%	1,219,901

(c) Capital Management

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

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

Part 14 – Trade and Other Receivables

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

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

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

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

Fair Value and Credit Risk

Due to the short-term nature of the trade receivables, the carrying amount is assumed to approximate their fair value. The exposure to credit risk at the end of the reporting period is the carrying amount of each class of receivables mentioned above. Refer to part 13 for more information on the Risk Management Policy of the Group.

Part 15 - Inventories

The inventory of the Company comprises cameras and cameras and related accessories. Inventories recognised as an expense during the year ended 30 June 2023 amounted to $4,996 (2022 – $13,759). These were included in cost of sales and providing services.

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

A reconciliation of the Inventory on hand is as follows:

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

Subsequent to the end of the financial year, consistent the discontinuation of provision of the Pirsee service, as described at Part 8 above, management have determined that the above cameras are no longer inventory, as they will no longer be sold in the ordinary course of business, and going forward will be classified as assets held for sale.

The cameras and accessories are being marketed through multiple channels, with parties in the real estate sector being targeted to purchase these cameras. After the end of the financial year, the Company has sold a small number of cameras and accessories to real estate agents in Western Australia. However, there can be no guarantee that the Company will be able to sell all of the cameras without needing to further reduce the carrying value of the items.

At the end of the financial year, the cameras and accessories have been valued at fair value less costs to sell, consistent with the relevant accounting policy described above in part 11. Accordingly, subsequently to 30 June 2023 it is not necessary for a Gain or Loss to be recognised, upon the re-classification of the cameras and accessories.

Part 16 – Other Assets and Assets Classified as Held for Sale, and Property, Plant and Equipment

Other assets and assets classified as held for sale at 30 June 2023 are items which have been transferred from Property. Plant and Equipment ($10,344). At 30 June 2022 this balance included capitalised data migration costs and prepayments ($11,911), as described above at Part 12.

Property Plant and Equipment

	Computers / Electronic equipment ($)	Motor Vehicles ($)	Total ($)
Year ended 30 June 2022			
Opening net book amount	**4,116**	**-**	**4,116**
Additions	14,410	-	14,410
Depreciation charge	(5,570)	-	(5,570)
Closing net book amount	**-**	**-**	**-**
At 30 June 2022			
Cost	75,595	-	75,595
Accumulated depreciation	(62,638)	-	(62,638)
Closing net book amount	**12,957**	**-**	**12,957**
Year ended 30 June 2023			
Opening net book amount	**12,957**	**-**	**12,957**
Additions	23,373	30,584	53,957
Assets classified as held for sale	(10,344)	-	(10,344)
Disposals	-	(28,343)	(28,343)
Depreciation charge	(13,240)	(2,241)	(15,481)
Impairment Expense	(12,746)	-	(12,746)
Closing net book value	-	-	-

Part 17 – Intangible Assets

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

Reconciliation of Goodwill		
Beginning of reporting year	1,066,201	1,066,201
Impairment recognised	**(1,066,201)**	-
End of reporting year	**0**	**1,066,201**

	2023 ($)	2022 ($)
Accumulated impairment losses		
Beginning of reporting year	(4,681,722)	(4,681,722)
Impairment recognised	**(1,066,201)**	-
End of reporting year	**(5,747,923)**	**(4,681,722)**
Net balance at end of reporting year	**0**	**1,066,201**

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

At 30 June 2023, the value of Goodwill asset has been impaired to nil. As described above at part 8, the Company has discontinued providing the Pirsee service to its small customer base, whilst the Company is exploring alternative ways to re-enter the market as a more sustainable business with its software platform that it maintains, retaining of the Goodwill asset on the balance sheet can no longer be justified.

Part 18 – Trade and Other Payables

	2023 ($)	2022 ($)
Trade creditors and accruals	217,259	92,335
Trade creditors under supplier finance arrangement	27,638	-
Payroll tax and other statutory liabilities	101,336	101,367
Statutory liabilities under a finance arrangement	87,478	-
	433,711	**193,702**

Part 19 – Employee Benefits Payable

	2023 ($)	2022 ($)
Current Liabilities		
Accrued wages and salaries	39,639	19,098
Leave obligations	60,317	131,771
Notice period liability	105,713	-
	205,669	**150,868**

As described at Part 8 above, the Company has discontinued the provision of its PIrsee product. Consistent with this action, commencing in June 2023, the Company took measures to reduce its number of employees, the above 'notice period liability' is the total amount payable by the Company to its employees, who had been provided notice of redundancy at 30 June 2023, or who the Company advised that they may be made redundant in the near term.

Part 20 - Borrowings and Derivative Financial Instruments

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

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

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

	Principal	Facility Fee	Interest accrued	Balance at 30 June 2023
Loans from related parties				
Tribis Pty Ltd	$180,000	$10,000	$13,817	$203,817
CEA SMSF Pty Ltd	$42,000	$4,200	$3,017	$49,217
GEM Syndication Pty Ltd	$58,000	$5,800	$4,022	$67,822
Subtotal	**$280,000**	**$20,000**	**$20,856**	**$320,856**

Loan from an unrelated party				
Confiant Pty Ltd	$100,000	$10,000	$6,988	$116,988
Subtotal	**$100,000**	**$10,000**	**$6,988**	**$116,988**
Grand Total	**$380,000**	**$30,000**	**$27,844**	**$437,844**

The terms of the loan are as disclosed below:

Clause	Description
Facility Limit / Principal (excluding facility fee and interest):	Refer to table above
Facility fee:	Refer to table above
Effective date:	6 February 2023
Interest:	18% p.a. accruing daily on the outstanding balance of the Loan and capitalised fees
Capitalisation of Loan Costs:	Provided there is no default, all fees and interest payable in relation to the Loan accrue and capitalise from due dates.
Manner of repayment of Loan:	The loan including all capitalised amounts will be settled at the lenders election from: a) cash from a capital raising excluding the Minimum Capital Raising; b) subject to any necessary ASX or shareholder approvals, shares in AssetOwl at the lowest capital raising price for a capital raising undertaken by AssetOwl undertaken between the Effective Date and the date of repayment; or c) any combination at the lenders nomination of these alternatives.
Default events:	Each of the following is a “Default Event”: a) AssetOwl fails to complete a $375,000 capital raising by 31 March 2023 (“Minimum Capital Raising”) or a later date agreed by the lender; and b) AssetOwl is involuntarily suspended from the ASX or deregistered from listing on the ASX or no longer meets the requirements to maintain a listing on the ASX; c) If AssetOwl or any subsidiary has an insolvency event.
Effect of a Default Event:	Upon the occurrence of a Default Event the Lender may give notice to AssetOwl requiring it to rectify the Default Event within 10 Business Days. If the Default Event is not rectified in accordance with notice then the Loan will be immediately repayable and each of the lenders under the New Loanswill have the right to convert at the individual lender’s discretion the value of their loans to capital in AssetOwl on the basis that $500,000 of loan repayment will convert to 80% of the diluted issued capital at the time of the Default Event, or pro rata for lesser sums

Clause	Description
	being converted to shares.

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

Each loan contains the host liability and the conversion feature, which are separate financial liabilities. The host contract is classified as a financial liability at amortised cost and the conversion feature is classified as a financial liability at fair value through profit or loss.

At the inception of each loan, the fair value of the conversion feature was nil. At 30 June 2023, the fair value of the conversion feature of each loan is also considered to be nil.

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

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

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

In addition to the above loans, during the year:

- Tribis Pty Ltd extended a further unsecured loan to the Company, these funds were provided on an interest free basis. The funds provided under the second loan amounted to $228,000, with funds of $72,000 repaid to Tribis during the financial year. Subsequent to the end of the financial year, Tribis has provided further funds of $243,000.
- The Company's Chairman, Simon Trevisan, provided funds of $25,000 as an unsecured loan, these funds were provided on an interest free basis.

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

Part 21 – Contributed Equity

(a) Movements of share capital during the year

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

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

Ordinary Shares

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

At a shareholder meeting, voting is performed via a poll, each share is entitled to one vote. Shareholders may attend the meeting in person or by proxy.

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

Part 22 – Cash Flow Information

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

	2023 ($)	2022 ($)
Net (Loss) after Income Tax	**(3,781,881)**	**(2,280,881)**
Depreciation and Amortisation	15,482	5,570
Impairment of Goodwill	1,066,201	-
Impairment of Property, Plant and Equipment	12,746	-
Share Based Payments Expense	12,739	31,007
Accrued interest and fees on convertible notes	57,844	-
CHANGES IN ASSETS & LIABILITIES FROM OPERATING ACTIVITIES		
(Increase)/Decrease in trade and other receivables	213,020	234,171
(Increase)/Decrease in inventories	20,063	(21,355)
(Increase)/Decrease in prepayments and other assets	11,911	15,857
Increase/(Decrease) in trade and other payables	245,055	54,938
Increase/(Decrease) in employee benefits payable	54,801	31,380
Cash flow (used in) Operating Activities	**(2,072,019)**	**(1,929,313)**

Net debt reconciliation

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

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

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

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

Part 23 - COMMITMENTS

The Commitment expenditure at reporting date is as follows:

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

There are no commitments for period beyond one year.

The nature of these commitments is disclosed below:

Administration Services Fees Commitment

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

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

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

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

Part 24 – Loss per share

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

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

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

Potential Ordinary Shares

The Group has loan facilities with four entities, the terms of the loans, which are described above at part 20 above provide for the lenders to request settlement of the loans through: payment of cash; the issue of Ordinary Shares; or a combination thereof.

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

Part 25 – Related party disclosures

Key Management Personnel

Directors and Executives compensation comprises:

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

Transactions with other related parties

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

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

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

Tribis Pty Ltd

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

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

The Group must pay a monthly fee to Tribis plus reimbursement each month of the certain costs, expenses and liabilities incurred and/or paid by Tribis on behalf of the Group during the month. For the year to 30 June 2023, the fee was $10,000 plus GST per month.

With effect from 1 December 2022, Tribis agreed with the Company to accrue this fee, accordingly, at 30 June 2032, $70,000 is accrued. Tribis will continue to accrue this fee until the company completes a necessary capital raising and when the Board considers it appropriate to resume paying Tribis.

Geoff Baldwin.Com Realty Group Pty Ltd

Geoff Baldwin (Non-Executive Director of the Group) is a director and shareholder of Geoff Baldwin.Com Realty Group Pty Ltd.

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

Morecross Pty Ltd T/A RE/MAX Exchange,

The Group has a license agreement for the use of pirsee with Morecross Pty Ltd T/A RE/MAX Exchange, which commenced December 2020. The license agreement has a fixed term of 24 months. During the period, the Group recognised income arising from this agreement of $600 (year ended 30 June 2022: $600).

Non-executive director Mr Geoff Baldwin is the Managing Director of Morecross Pty Ltd. The license agreement terms were established on arms-length basis. At the end of financial year, one invoice for $55 including GST was unpaid.

Fees payable to Key Management Personnel

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

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

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

Loans from related parties

	2023 ($)
Loan from Company Chairman, Simon Trevisan	
Beginning of the year	**-**
Loans provided	25,000
End of Year	**25,000**

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

(1) Loan details setout in this column pertain to loans provided to the Company pursuant to loan agreements, refer to Part 20 above from page 28 for full terms of these loans and further disclosure on the parties who have provided loans.

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

Acquisition of shares by a related party

During the financial year, Between 10 February 2023 and 16 March 2023 the Company issued 240,000,000 shares to Trinitas Private Pty Ltd. The shares were issued at a price of $0.001 ($0.01 cents) per share. Non-Executive Director, Ms Marene Ter (appointed 6 April 2023) is a shareholder and director of Trinitas Private Pty Ltd.

Part 26 – Interests in Other Entities

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

Part 27 – Net Tangible Assets/(Liabilities) per Security

	2023	2022
NET TANGIBLE ASSET / (LIABILITY)		
Net tangible asset backing per ordinary security (cents per share)	$(0.001)	$0.08

Part 28 – Subsequent Events

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

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

As at the date of this Appendix 4E there are no other subsequent events which require disclosure and/or an adjustment to the financial statements of the Group as at 30 June 2023.

Part 29 – Audit/Review Status

<table>
<tr><td colspan="4">This report is based on accounts to which one of the following applies:</td></tr>
<tr><td>The accounts have been audited</td><td></td><td>The Accounts have been subject to review</td><td></td></tr>
<tr><td>The accounts are in the process of being audited or subject to review</td><td></td><td>The accounts have not yet been audited or reviewed</td><td>√</td></tr>
<tr><td colspan="4">Independent Audit Report likely to include a paragraph referring to material uncertainty related to Going Concern.

The above accounts are yet to be audited, the independent audit report is likely to contain a paragraph referring to material uncertainty related to Going Concern and refer to disclosure in the Company’s Annual Report that the Company’s ability to continue as a going concern is subject to events including:
• Financial support from Tribis Pty Ltd, a company related to the Company’s Chairman, Mr Simon Trevisan; and
• The completion of a capital raising, which is likely to require the completion of a corporate transaction.</td></tr>
</table>