

## ASX Announcement

26 April 2019

### **ASSETOWL QUARTERLY UPDATE AND APPENDIX 4C For the Period ended 31 March 2019**

- **AssetOwl to partner with leading property inspection service provider, PCR & Inspection Services to help bring Inspector360 to market, and become a reseller once product development is complete**
- **Real estate groups The Agency and Attree Real Estate to trial Inspector360 for rental properties**
- **Renounceable Rights Issue to raise \$1.25 million to support platform rollout and business expansion**

Enterprise property management platform provider AssetOwl Limited (ASX: AO1, **AssetOwl** or the **Company**) is pleased to present its Appendix 4C – Quarterly Cash Flow Report for the period ended 31 March 2019 with an update on business progress.

AssetOwl provides cloud-based software services for real estate asset management to the residential, retail and government property sectors. During the quarter the Company focused on the development of its second-generation residential property inspection management platform, Inspector360. Development has progressed well and is expected to be completed next quarter. The Company has secured key cornerstone relationships to help commercialise Inspector360 once complete.

These include AssetOwl's partnership with leading property inspection service provider, PCR & Inspection Services to bring to market Inspector360.

PCR & Inspection Services provides service to 160 Western Australian real estate agencies, with an estimated 7,000 properties under management and delivering an average of 65 property condition reports and 35 routine inspections per week.

AssetOwl is continuing the development of Inspector360 with advanced features for PCR, and the parties anticipate rolling out the software to the market in mid-2019 in partnership.

Subsequent to quarter-end, AssetOwl announced leading real estate group The Agency Group Australia (ASX: AU1) would trial AssetOwl's inspector360 platform, along with Perth group Attree Real Estate.

Perth-headquartered The Agency has strongly grown its market position to now run an Australian mortgage book worth more than \$1.2 billion, with more than 4,200 properties under management and nearly 1,400 properties listed for sale. With approximately 300 sales representatives across its nine offices in Perth, Sydney, Melbourne and the Gold Coast, The Agency now plans to expand to Canberra as well as regional WA.

AssetOwl and The Agency agreed to a one-month trial which will commence in mid-year and will involve AssetOwl making some value-added customisations to Inspector360. The Agency has indicated an intention to use Inspector360 across its Australian operations subject to a successful trial of the system and the execution of commercial documentation.

Attree Real Estate is Perth's leading selling agency in the southern suburbs, ranking number one for five years in a row based on REIWA figures. It has nearly 700 properties under management and was a 2016 National Property Management Awards 'Best of the Best' finalist in the categories of Agency of the Year, Leasing Consultant of the Year and Business Development Manager of the Year.

Attree and AssetOwl agreed to a one-month trial, which is expected to commence next quarter. It is anticipated that the trial will involve the use of Inspector360 with selected clients of Attree. Following successful completion, the Company expects this trial to roll out to more Attree clients and lead to revenue-generating contracts on a per-use basis.

## **CORPORATE**

### **Rights Issue**

AssetOwl will undertake an equity capital raising of up to approximately \$1.25 million (before costs) via an underwritten pro-rata renounceable rights issue (Rights Offer) to be managed and underwritten by Patersons Securities Limited (Patersons).

The Rights Offer will be made on a 2-for-1 basis, being 1 new fully paid ordinary share in AssetOwl (New Share) for every 1 existing share held, at an issue price of 0.7c per New Share.

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Telephone: (61) (8) 9424 9320 Facsimile: (61) (8) 9321 5932  
[www.assetowl.com](http://www.assetowl.com)

The Rights Offer will be offered to those AssetOwl Shareholders who have a registered address in Australia or New Zealand and who are on the Company's register at the close of business on the record date, anticipated to be on or about Thursday, 2 May 2019. The Rights Offer is anticipated to be open for acceptance from Friday, 3 May 2019 until 5pm (Perth time) Friday, 17 May 2019.

Directors Andrew Lane, Simon Trevisan and their associated entities agreed to subscribe for approximately \$430,000 by way of entitlement under the Rights Offer.

The proceeds from the Rights Offer will be used to support the development and rollout of AssetOwl's Management Platform and the Company's expansion into the property management sector, the repayment of debts, the cost of the Rights Offer and for general working capital purposes.

### **Board Changes**

Mr Ian Murchison and Mr Bruce McCracken retired as AssetOwl Directors in April.

Mr Murchison was a Non-Executive Director of AssetOwl (formerly Regalpoint Resources) since prior to its IPO in 2011, and Mr McCracken joined as Executive Director in 2013. The changes to the Company's board composition are to reflect the Company's size and structure as it prepares for its next commercial phase.

The continual and tireless efforts of both Mr Murchison and Mr McCracken have been greatly appreciated by the Company.

**\*\*\*ENDS\*\*\***

**For further information, shareholders and media please contact:**

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**About the AssetOwl business:**

AssetOwl is an innovative technology company which has developed an enterprise software application, providing real estate owners with one trusted platform for managing properties remotely.

Inspector360 is the revolutionary next generation of AssetOwl's photo-centric property management platform, designed to benefit property owners, tenants, agents and managers. It builds on AssetOwl's existing residential inspection software, InspectorAsset, which uses virtual reality technology to create an internal view of a property to assist all stakeholders before, during and at the conclusion of a tenancy.

Inspector360 incorporates 360-degree imagery, video, voice-to-text and hot-spot mapping of floor plans to accurately document property condition reports, significantly boosting the efficiency of the inspection process.

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

**Name of entity**

**ASSETOWL LIMITED**

**ABN**

**12 122 727 342**

**Quarter ended ("current quarter")**

**31 March 2019**

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	4	9
1.2 Payments for		
(a) research and development	(136)	(602)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets (exploration & evaluation)	(28)	(72)
(e) staff costs	(58)	(246)
(f) administration and corporate costs	(53)	(265)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	3
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes	-	-
1.7 Government grants and tax incentives (R & D)	-	983
1.8 Other Business Consolidation	-	(81)
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(271)</b>	<b>(273)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	1	1
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	<b>Net cash from / (used in) investing activities</b>	<b>1</b>	<b>1</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	150
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>150</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of quarter/year to date	459	311
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(271)	(273)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	1	1
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	150

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	<b>Cash and cash equivalents at end of quarter</b>	<b>189</b>	<b>189</b>

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	9	9
5.2	Call deposits	180	450
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>189</b>	<b>459</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
28
-

Directors fees payable to Non-Executive Director Mr Geoff Baldwin \$9,000 for the quarter  
Directors Fees payable to Director Mr Bruce McCracken \$19,190

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

**8. Financing facilities available**

*Add notes as necessary for an understanding of the position*

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
150	150

Interest free loan from Tribis Pty Ltd, a related party of the Company. Loan is unsecured and interest free. Loan has no set repayment date.

**9. Estimated cash outflows for next quarter**

**\$A'000**

9.1 Research and development

9.2 Product manufacturing and operating costs

9.3 Advertising and marketing

9.4 Leased assets

9.5 Staff costs

9.6 Administration and corporate costs

**9.8 Total estimated cash outflows**

100

-

-

-

100

50

**250**

**10. Acquisitions and disposals of  
business entities  
(items 2.1(b) and 2.2(b) above)**

**Acquisitions**

**Disposals**

10.1 Name of entity

10.2 Place of incorporation or  
registration

10.3 Consideration for acquisition or  
disposal

10.4 Total net assets

10.5 Nature of business

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here: .....  
(Director/Company secretary)

Date: ...26 April 2019....

Print name: .....FLEUR HUDSON.....

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.