

AssetOwl Limited

Appendix 4D

Half Year Report for the 6 Months ended to 31 December 2020

The following sets out the requirements of Appendix 4D with the stipulated information either provided here or cross-referenced to the 31 December 2020 Interim Financial Report, which is attached.

This Appendix 4D should be read in conjunction with the attached 31 December 2020 Interim Financial Report.

Name of Entity	Current Period
ASSETOWL LIMITED	PERIOD ENDED 31 DECEMBER 2020
ACN	Prior Corresponding Period
122 727 342	PERIOD ENDED 31 DECEMBER 2019

Results for Announcement to the Market	% Movement Compared to the Prior Period	Current Period A\$	Previous Period A\$
Revenue from Ordinary Activities	261%	30,731	8,510
Reported net (loss) from ordinary activities after tax	7.69%	(594,354)	(643,848)
Reported net (loss) attributable to members	7.69%	(594,354)	(643,848)

Net Assets	31 December 2020	31 December 2019
Net Tangible Assets (\$A)	707,928	385,997
Number of Securities	490,428,617	301,220,812
Net Tangible Assets per security (cents)	0.14	0.13

Dividends	Interim Dividend 2021	Interim Dividend 2020
Amount per share	NIL	NIL
Franked amount	NIL	NIL

Review Results

This report is based on the financial statements that have been the subject of an independent review and are not subject to any dispute or qualification.

The independent auditors review report contains a section drawing attention to 'material uncertainty relating to going concern', further details is provided in the interim financial report which is attached to this Appendix 4D.

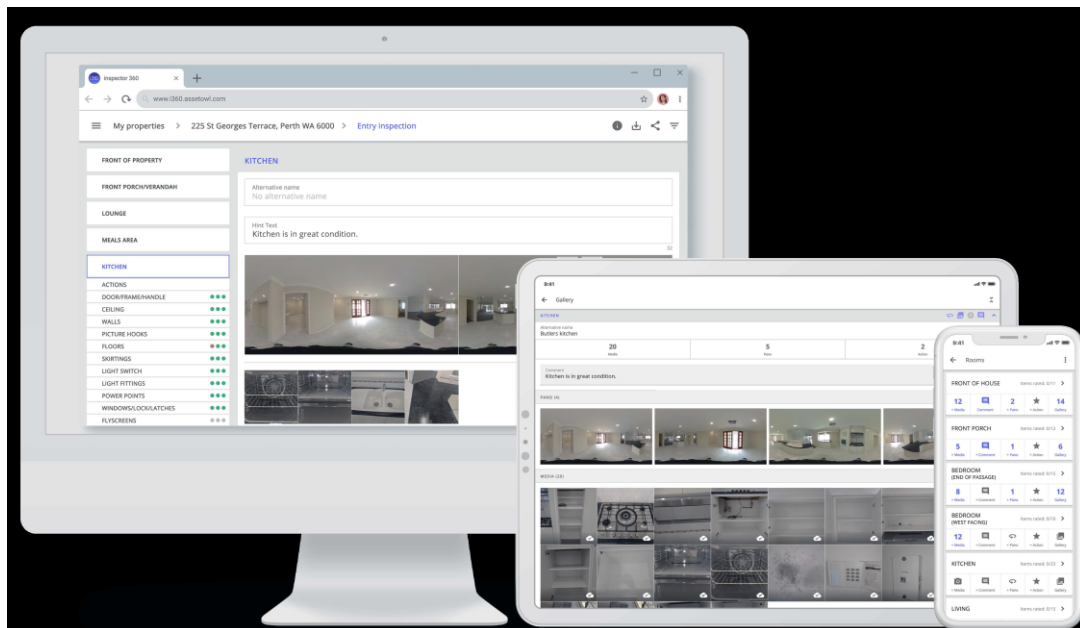
Authority

For the purpose of ASX Listing Rule 15.5, this announcement has been authorised by the Chairman of the Company, Simon Trevisan.

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Asset Owl

ACN 122 727 342



CONSOLIDATED INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 DECEMBER 2020

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CORPORATE DIRECTORY

DIRECTORS

Simon Trevisan (Chairman)
Andrew Lane (Non-Executive Director)
Geoff Baldwin (Non-Executive Director)

COMPANY SECRETARY

Sean Meakin

REGISTERED AND PRINCIPAL OFFICE

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225 St Georges Terrace
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Facsimile: (08) 9321 5932
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AUDITORS

BDO Audit (WA) Pty Ltd
38 Station Street
SUBIACO WA 6008

SHARE REGISTRY

Advanced Share Registry
110 Stirling Highway
Nedlands WA 6909
Telephone: 1300 113 258 (within Australia)
+61 (0) 8 8389 8033 (international)

HOME EXCHANGE

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

SOLICITORS

Jackson McDonald
225 St Georges Terrace
PERTH WA 6000

BANKERS

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

DIRECTORS' REPORT

The Directors present their report together with the financial report of AssetOwl Limited (the Group) for the half year ended 31 December 2020 and the auditor's review report thereon.

DIRECTORS

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

- Simon Trevisan (Chairman)
- Andrew Lane (Non-Executive Director)
- Geoff Baldwin (Non-Executive Director)

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

REVIEW OF OPERATIONS

Highlights

- Partnership with Real Estate Institute of Victoria (REIV) and establishment of Victorian agency pipeline.
- Achievement of integration with two of Australia's largest and most complete cloud property management service providers, PropertyMe and Property Tree.
- Completion of inspector360 functionality including Remote Routine Inspections and Tenant Collaboration.
- First inspector360 real estate agency customers onboarded and generating revenue for the Company.
- Pipeline of Western Australian Real Estate agencies engaged in trials.
- Filing of International Patent Application to protect Inspector360 intellectual property (IP).

AssetOwl Limited (ASX: AO1, **AssetOwl** or the **Company**) is an innovative technology company which has developed an enterprise software application and provides cloud-based software services for real estate asset management, targeting the residential, retail and government property sectors.

AssetOwl's photo-centric property management platform, inspector360, provides tenants, property managers and landlords with an exact record of the condition of residential properties during a tenancy and when tenants move in and out, using AssetOwl's proprietary virtual tour technology to create an internal view of a property.

During the reporting period, AssetOwl completed the full technical development of PropertyMe and Property Tree specific functionality for WA-based real estate agencies. PropertyMe and Property Tree are two of Australia's largest property management service providers, with a combined reach of more than 6,500 real estate agencies across all states. This achievement allows WA based real estate agencies that are users of either PropertyMe or Property Tree to seamlessly incorporate inspector360 into their workflow.

During the period, the AssetOwl team completed development of the inspector360 'Remote Routine Inspections' and 'Tenant Collaboration' features.

- The Remote Routine Inspection feature is the only tool available in Australia that enables property managers to control and guide a live video call and gather high quality images through the tenant's camera phone without visiting the property. These remote inspections are of the highest quality, detailed and backed by time-stamped images.
- Tenant Collaboration enables customers to share entry inspection reports with tenants immediately when they move into a property through a paperless, legally compliant, digital process. This allows tenants to easily submit their feedback, include supporting photos and sign off on the reports.

DIRECTORS' REPORT

In December, the AssetOwl team onboarded the first Western Australian real estate agencies to inspector360, permitting our software to become central to how these clients operate their inspections and generating first revenue from inspector360 itself. Of note, one of these agencies is regionally based, requiring the on-boarding process to be performed to be managed entirely remotely. On-boarding is the process of implementing inspector360 with a client and requires uploading the client's library of properties onto the inspector360 database and training the client to use it. In serving these customers, AssetOwl is now hosting inspection data for a combined property management portfolio of 750 properties and has a pipeline of Western Australian agencies engaged in trials.

Following the commencement of AssetOwl's partnership with the Real Estate Institute of Victoria (REIV), announced to the ASX on 12 October 2020, the Company progressed discussions with agency groups in Victoria which have expressed interest in the inspector360 platform. This has expanded the Company's new business pipeline and is presenting an opportunity to accelerate the Company's rollout plans in Victoria.

Inspector360 includes a number of novel and unique features. AssetOwl engaged Wrays Patent Attorneys to prepare patent applications, and subsequent to the end of the reporting period, in January 2021, an International Patent Application was filed.

CORPORATE

Results of AGM

At AssetOwl's 2020 Annual General Meeting of Shareholders, held on 29 January 2021, all resolutions contained in the Notice of Meeting passed on a poll.

PRINCIPAL ACTIVITIES

The principal activity of the Group is technology and software development.

OPERATING RESULTS

The Group's net loss after providing for income tax for the half year ended 31 December 2020 amounted to \$594,354 (half year ended 31 December 2019: \$643,848). At 31 December 2020, the Group has \$649,235 cash and cash equivalents (30 June 2020: \$966,272).

Consolidated Statement of Profit or Loss and Other Comprehensive Income

The Group's loss result for the period marginally improved relative to the loss result for the comparative period.

An increase in revenue and other income was partly offset by increases in expenditure incurred in the period. Incremental expenditure incurred in the period arose from the engagement of resources to progress the commercialisation of the Group's photo-centric property management platform offering, Inspector360.

Consolidated Statement of Cash Flows

Operating activities of the Group in the reporting period to 31 December 2020 required less net cash outflows than the Group's operating activities in the comparative period, the 6-month period to 31 December 2019.

Three major items contributed to this result:

- An increase in receipts from customers;
- Receipt of \$28,345 from the Northern Territory Governments' Department of Industry, Tourism and Trade ('Department'), this is a cash security amount which was had been paid by AssetOwl Limited (then named 'Regalpoint Resources Limited') for Rum Jungle (NT) exploration permits which were sold to the ASX listed company Podium Minerals Limited on 12 February 2018; and

DIRECTORS' REPORT

- Receipt of Government Grants which were provided to eligible entities following the emergence of the COVID-19 pandemic. The Group received grants in the form of the Boosting Cash for Employers grant, and Job Keeper.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

There were no significant changes in the state of affairs of the Group during the half year.

EVENTS OCCURRING SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 29 January 2021, AssetOwl Limited held its Annual General Meeting ("AGM") for the 2020 year. All resolutions put to the meeting were passed by shareholders via a poll.

On 9 February 2021, The Company issued 4,076,488 fully paid ordinary shares for nil consideration to Sequoia Corporate Finance Pty Ltd. The shares were issued to satisfy the Company's obligation arising from its engagement of Sequoia on 4 March 2020 for the provision of corporate advisory services.

On 25 February 2021, following receipt of shareholder approval at the AGM, the Company issued 24,375,000 Options over ordinary shares under the Company's Employee Incentive Plan. The Options were issued to Company Directors and other key executives.

Further disclosure on these Options is provided in the Company's Notice of Annual General Meeting which was despatched to shareholders on 31 December 2020 and in the Company's announcement titled "Issue of Share Options under Employee Incentive Plan" dated 25 February 2021.

AUDITORS INDEPENDENCE DECLARATION

The lead auditor's independence declaration as required under S.307C of the Corporations Act 2001 is set out on page 7 for the half year ended 31 December 2020.

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



Simon Trevisan

Chairman

Dated at Perth, Western Australia, this 26th of February 2021

DECLARATION OF INDEPENDENCE BY NEIL SMITH TO THE DIRECTORS OF ASSETOWL LIMTEID

As lead auditor for the review of AssetOwl Limited for the half-year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

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

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



Neil Smith
Director

BDO Audit (WA) Pty Ltd
Perth, 26 February 2021

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR HALF-YEAR ENDED 31 DECEMBER 2020

	Notes	HALF YEAR	
		31 December 2020	31 December 2019
		\$	\$
CONTINUING OPERATIONS			
Revenue	3	30,731	8,510
Other Income	4	314,008	244,052
Accounting and Audit expenses		(23,019)	(21,752)
Legal expenses		(12,892)	(12,283)
Corporate and administrative expenses		(80,616)	(50,839)
Professional consultant and contractor fees		(138,789)	(108,661)
Employee benefit expenses		(166,479)	(95,303)
Research expenses		(472,238)	(548,820)
Depreciation and amortisation		(1,687)	(22,089)
Other expenses		(43,373)	(36,663)
(LOSS) BEFORE INCOME TAX		(594,354)	(643,848)
Income tax benefit		-	-
(LOSS) AFTER INCOME TAX		(594,354)	(643,848)
Other Comprehensive Income			
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		(594,354)	(643,848)
Total comprehensive loss for the period is attributable to: Owners of AssetOwl Limited		(594,354)	(643,848)
Basic loss (cents per share)		(0.12)	(0.21)

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

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	Notes	31 December 2020 \$	30 June 2020 \$
CURRENT ASSETS			
Cash and cash equivalents		649,235	966,272
Trade and other receivables	5	227,463	480,707
TOTAL CURRENT ASSETS		876,698	1,446,979
NON-CURRENT ASSETS			
Property, Plant and Equipment		3,683	5,370
Intangible Assets		1,066,201	1,066,201
TOTAL NON-CURRENT ASSETS		1,069,884	1,071,571
TOTAL ASSETS		1,946,582	2,518,550
CURRENT LIABILITIES			
Trade and other payables		55,419	69,221
Employee Benefit payable		117,034	88,924
TOTAL CURRENT LIABILITIES		172,453	158,145
TOTAL LIABILITIES		172,453	158,145
NET ASSETS		1,774,129	2,360,405
EQUITY			
Contributed Equity	6	19,504,334	19,496,256
Reserves		39,134	39,134
Accumulated Losses		(17,769,339)	(17,174,985)
TOTAL EQUITY		1,774,129	2,360,405

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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR HALF-YEAR ENDED 31 DECEMBER 2020

	Contributed Equity \$	Share based payments Reserve \$	Accumulated Losses \$	Total \$
BALANCE AT 1 JULY 2020	19,496,256	39,134	(17,174,985)	2,360,405
(Loss) for the half year	-	-	(594,354)	(594,354)
Total comprehensive loss for the half year	-	-	(594,354)	(594,354)
Issue of shares to investors	10,000	-	-	10,000
Capital raising costs	(1,922)	-	-	(1,922)
BALANCE AT 31 DECEMBER 2020	19,504,334	39,134	(17,769,339)	1,774,129
BALANCE AT 1 JULY 2019	18,156,122	-	(16,047,576)	2,108,546
(Loss) for the half year	-	-	(643,848)	(643,848)
Total comprehensive loss for the half year	-	-	(643,848)	(643,848)
BALANCE AT 31 DECEMBER 2019	18,156,122	-	(16,691,424)	1,464,698

CONSOLIDATED STATEMENT OF CASH FLOWS FOR HALF-YEAR ENDED 31 DECEMBER 2020

	HALF YEAR	
	31 December 2020	31 December 2019
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	26,727	7,821
Research and Development Grant received	422,252	398,269
Payments to suppliers and employees	(906,553)	(919,374)
Receipts related to other activities	28,345	-
Government Grants received	104,000	-
Interest received	114	1,526
NET CASH (OUTFLOW) FROM OPERATING ACTIVITIES	(325,115)	(511,758)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of Property, plant and equipment	-	(5,168)
NET CASH (OUTFLOW) FROM INVESTING ACTIVITIES	-	(5,168)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	10,000	-
Payment of share issue costs	(1,922)	-
NET CASH INFLOW FROM FINANCING ACTIVITIES	8,078	-
NET (DECREASE) IN CASH HELD	(317,037)	(516,926)
Cash and cash equivalents at beginning of period	966,272	717,948
CASH AT END OF PERIOD	649,235	201,022

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

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

It is recommended that the half-year financial report be read in conjunction with the annual financial statements for the year ended 30 June 2020 and considered together with any public announcements made by the Group during the half-year ended 31 December 2020 in accordance with the continuous disclosure requirements arising under Corporations Act 2001 and the ASX Listing Rules.

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

These half-year financial statements were approved by the Board of Directors on 26th of February 2021.

(a) Changes in and adoption of new accounting policies

The Group's accounting policies are consistent with the policies adopted for the previous financial year.

The Group generates revenue through the provision of two distinct services, being the provision of its residential real estate inspection tool, inspector360, and the provision of its management platform to retail customers.

i. Revenue

Inspector360

The reporting for period the 6 months ended 31 December 2020 is the first period in which the company generated revenue from its inspector360 offering.

The Group's subsidiary company AssetOwl Technologies Pty Ltd ('AssetOwl') enters into contracts with customers, which are predominantly real estate agencies ('Counterparty', 'Customer'), contracts are for an initial fixed period of time with a fixed fee payable for each month within the term.

In exchange for monthly consideration, the Counterparty is provided access to the Groups' software platform 'Inspector360'.

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 inspector360; Upload the historical data relating to properties managed by the agency; and Provision of continued access to the inspector360 application. The primary service is access to the inspector360 application.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 inspector360 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.

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 2020.

(b) Significant accounting judgements, estimates and assumptions

The preparation of the half-year 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 preparing this half-year financial report, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty relate to the following:

- R&D receivable (note 5)

(c) Going Concern

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

The interim financial report has been prepared on a going concern basis.

The Company incurred a loss after tax of \$594,354 (2019: loss of \$643,848) and incurred total net cash outflows from operating activities of \$325,115 for the half year ended 31 December 2020 (2019: net cash outflows of \$511,758).

The COVID-19 pandemic, announced by the World Health Organisation on 31 January 2020, is having a negative impact on world stock markets, currencies and general business activity. The timing and extent of the impact and recovery from COVID-19 is unknown but it may have an impact on activities and potentially impact the ability for the entity to raise capital in the current prevailing market conditions.

The Directors have prepared a cash flow forecast for the period to March 2022, the forecast contemplates the completion of a capital raising in the near term to provide sufficient working capital for the continued operation of the business. This results in a material uncertainty that may cast a significant doubt about the Group's ability to continue as a going concern.

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

- Raising additional capital to provide working capital for the business, of a quantum and timing to be determined by the Board to meet the needs of the business.
- The successful commercialisation of Inspector360 leading to a material increase in sales revenue, and accordingly receipts from customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at 25 February 2021, the Group has \$349,883 cash and cash equivalents on hand, and 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.

2. SEGMENT INFORMATION

The Directors have considered the requirements of AASB 8 – *Operating segments*. Operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group's chief operating decision maker, which is the Board of Directors. In this regard, such information is provided using similar measures to those used in preparing the Consolidated Statement of Profit or Loss and Other Comprehensive Income, Consolidated Statement of Financial Position and Consolidated Statement of Cash Flows.

For the half year ended 31 December 2020, the Group had only one geographical location being Australia and operated in one business segment being Software Development.

Segment information provided to the Board of Directors is as follows:

	Software Development	Unallocated	Total
31 December 2020			
Assets	1,946,583	-	1,946,582
Liabilities	(145,853)	(26,600)	(172,453)
Net Assets			1,774,129
30 June 2020			
Assets	2,518,550	-	2,518,550
Liabilities	(118,251)	(39,894)	(158,145)
Net Assets			2,360,405
			Half Year
		31 December 2020	31 December 2019
Revenue from external sources		30,731	8,510
Reportable segment profit/(loss)		(353,653)	(459,944)
<i>Material and Non-Cash items within the segment (Loss)</i>			
R&D Incentive benefit		206,049	238,867
Depreciation and Amortisation		(1,687)	(22,089)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Reconciliation of Segment Operating Loss to net loss before Income Tax

	Half-year	
	31 December 2020	31 December 2019
Segment Operating (Loss)	(353,653)	(459,944)
Non-segment specific items within net loss		
Interest Income	114	-
Gain on other activities ¹	28,345	-
Other non-segment specific expenditure	(269,160)	(183,604)
(Loss) before Income Tax	(594,354)	(643,848)

3. REVENUE

	2020 (\$)	2019 (\$)
REVENUE FROM CUSTOMERS		
Revenue from Services (inspector360)	185	-
Revenue from Services (management platform)	30,546	8,510
	30,731	8,510

In December 2020, the Group commenced generating revenue from the provision of its revolutionary photo-centric property management platform, inspector360. Revenue in period was generated from Western Australian based real estate agents.

In the current reporting period, the Group's revenue from its management platform substantially increased, following an update of the minimum monthly fee charged by the Group for the provision of its management platform service.

4. OTHER INCOME

	2020 (\$)	2019 (\$)
OTHER INCOME		
Government Grants	79,500	-
Interest received	114	1,526
R&D tax incentive benefit	206,049	242,526
Gain on other activities ¹	28,345	0
	314,008	244,052

¹ Receipt of \$28,345 from the Northern Territory Government's Department of Industry, Tourism and Trade ('Department'), this is a cash security amount which had been paid by AssetOwl Limited (then named 'Regalpoint Resources Limited') for Rum Jungle (NT) exploration permits which were sold to the ASX listed company Podium Minerals Limited on 12 February 2018.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Government Grants

The Group benefited from two Government Grants in the reporting period.

Boosting Cash Flow for Employers

In annual reporting period to 30 June 2020 the Group received Boosting Cash Flow for Employers payments, consequentially, in the reporting period to 31 December 2020, the Group received the related, additional cash flow boost, being a further \$50,000. The 1st instalment of this additional \$50,000, being \$12,500 was recognised within "Other Income" in the annual reporting period to 30 June 2020.

The Group received these payments as it derived income in the 2019-20 financial year of less than \$50 million, and it made eligible payments, including payment of salary and wages.

Job Keeper

The Group received Job Keeper payments of \$42,000 during the reporting period. The Group's subsidiary AssetOwl Technologies Pty Ltd is an eligible Employer with eligible employees, which it continues to employ, and has complied with the conditions attaching to this grant.

R&D tax incentive benefit

The Research and Development (R&D) benefit recognised arises from the Group's expenditure on eligible R&D activities performed in the reporting period.

5. RECEIVABLES

	31 December 2020	30 June 2020
	\$	\$
Accounts receivable	767	1,931
Accrued income	5,061	-
Net GST Receivable	15,586	32,024
R&D Offset receivable – 2021 financial year ⁽¹⁾	206,049	-
R&D Offset receivable – 2020 financial year ⁽²⁾	-	422,252
Government grants receivable	-	24,500
	227,463	480,707

- (1) The R&D offset receivable amount represents the expected refundable tax offset arising from AssetOwl Technologies Pty Ltd's Research and Development activity for the 2021 financial year, calculated on eligible expenditure incurred in the period to 31 December 2020.

The methodology for calculating the amount of the R&D receivable for the 6 months to 31 December 2020 is consistent with the R&D methodology to determine the amount of the R&D incentive for the year to 30 June 2020. The determination of the receivable amount recognised at 31 December 2020 involves judgement and as a result, the amount is an estimate.

- (2) The R&D offset receivable amount represents the refundable tax offset arising from AssetOwl Technologies Pty Ltd's Research and Development activity for the 2020 financial year. AssetOwl Technologies Pty Ltd received this amount from the Australian Taxation Office on 26 November 2020.

Due to their short-term nature, the carrying amounts of the trade and other receivables is assumed to approximate their fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. CONTRIBUTED EQUITY

Issue of Shares

On 3 July 2020, AssetOwl limited issued 1,250,000 ordinary fully paid shares, gross proceeds for the issue of the shares were \$10,000. Costs of \$1,922 were incurred for the issue of these shares and for their quotation on the ASX.

Date	Details	No of shares	Issue price (\$)	\$
	Balance at 30 June 2020	489,178,617		19,496,256
03.07.2020	Share Placement	1,250,000	0.008	10,000
	Share Issue cost	-	-	(1,922)
	Closing Balance as at 31 December 2020	490,428,617		19,504,334

7. RELATED PARTY INFORMATION

License agreement with Morecross Pty Ltd.

The Group has a license agreement for the use of inspector360 with Morecross Pty Ltd T/A RE/MAX Exchange, which commenced December.

The license agreement has a fixed term of 24 months. During the period, the Group recognised income arising from this agreement of \$37 relating to part of the December 2020 period. This amount was owed to the Company as at 31 December 2020 and has subsequently been settled.

Non-executive director Mr Geoff Baldwin is the Managing Director of Morecross Pty Ltd. The license agreement terms were established on arms-length basis.

Other related party transactions

The Group had transactions related parties during the period, these transactions are consistent with those disclosed in the Group's Annual Report for the financial year ended 30 June 2020.

8. EVENTS OCCURRING SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 29 January 2021, AssetOwl Limited held its Annual General Meeting ('AGM') for the 2020 year. All resolutions put to the meeting were passed by shareholders via a poll.

On 9 February 2021, The Company issued 4,076,488 fully paid ordinary shares to Sequoia Corporate Finance Pty Ltd. The shares were issued to satisfy the Company's obligation arising from its engagement of Sequoia on 4 March 2020 for the provision of corporate advisory services.

On 25 February 2021, following receipt of shareholder approval at the AGM, the Company issued 24,375,000 Options over ordinary shares under the Company's Employee Incentive Plan. The Options were issued to Company Directors and other key executives.

Further disclosure on these Options is provided in the Company's Notice of Annual General Meeting which was despatched to shareholders on 31 December 2020 and in the Company's announcement titled "Issue of Share Options under Employee Incentive Plan" dated 25 February 2021.

DIRECTORS' DECLARATION

In the opinion of the directors of AssetOwl Limited:

1. The financial statements and notes set out on pages 8 to 17, are in accordance with the *Corporations Act 2001*, including:
 - (a) giving a true and fair view of the consolidated financial position as at 31 December 2020 and of its performance, for the half year ended on that date; and
 - (b) complying with Australian Accounting Standards AASB 134 Interim Financial Reporting, the Corporation Regulations 2001 and the mandatory professional reporting requirements.
2. There are reasonable grounds to believe that the Consolidated Entity will be able to pay its debts as and when they become due and payable.

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



Simon Trevisan

Chairman

Dated at Perth, Western Australia, this 26th of February 2021

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of AssetOwl Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of AssetOwl Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2020 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Material uncertainty relating to going concern

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

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Responsibility of the directors for the financial report

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

Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2020 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*.

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

BDO Audit (WA) Pty Ltd



Neil Smith

Director

Perth, 26 February 2021

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