

Annual Report

Period to 30th June 2022

For personnel use only



Selfwealth Limited
ABN 52 154 324 428
Level 7, 130 Lonsdale St
Melbourne, Victoria, 3000

Selfwealth TM
Grow you good thing!

Helping Australians build wealth creation for almost a decade, through innovative technology, transparent pricing and support when our members need it.

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Selfwealth 
Grow you good thing!

A Leading, Australian Fintech

The Story

Since its inception in 2012, Selfwealth has been designed to help Australians build wealth. We have quickly become Australia's most popular independent online wealth creation platform and connect everyday Australians through tools and independent education on content. We do so with a price-conscious yet high-value mindset and put security at the centre of our decisions.

Our 126,000+ highly-engaged active investors benefit from:

- Access to flat-fee low cost ASX trades and USD9.50 US trades
- HIN-based, legal ownership on ASX investments
- Real-time pricing and detailed stock reports
- The ability to follow and track successful investors in the community
- Cash accounts audited regularly and backed by ANZ security
- Unique insights on market trends and weekly YouTube Live plus a regular podcast.

Retail Investors: Australian, Low-cost and Safe

Selfwealth first launched a low-cost, flat-fee share trading platform in 2017. Since then, the platform has followed a consistent approach: providing responsible, secure and price-conscious investment solutions for retail investors. The retail wealth creation platform now boasts two new native mobile apps, the addition of kids accounts so investors can invest on behalf of those under 18, access to the US and HKEX stock markets, plus ESG data.

Advisers: Innovative, Safe and Transparent

The Selfwealth Adviser Platform enables financial advisers and other financial intermediaries with innovative features and functionality to manage client direct equity portfolios. The Selfwealth Adviser Platform now has 92 Australian Financial Licences registered and 210 financial advisers. The attraction is clear: no commissions, percentage fees or other administration and transaction fees, allows it to be a uniquely compelling offer for both advisers and their clients.



1. Company details

Name of entity:	SelfWealth Limited
ABN:	52 154 324 428
Reporting period:	For the year ended 30 June 2022
Previous period:	For the year ended 30 June 2021

2. Results for announcement to the market

			\$
Revenues from ordinary activities	up	10.4% to	20,263,907
Loss from ordinary activities after tax	up	868.7% to	(6,264,478)
Loss for the year	up	868.7% to	(6,264,478)

3. Distributions

No dividends have been paid or declared by the Company for the current financial year. No dividends were paid for the previous financial year.

4. Explanation of results

Information supporting the Appendix 4E disclosure requirements can be found in the review of operations and activities, directors' report and the financial statements for the year ended 30 June 2022.

5. Net tangible assets per security

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>3.34</u>	<u>2.78</u>

6. Changes in controlled entities and other information required by Listing Rule 4.3A

There have been no changes in controlled entities during the year ended 30 June 2022.

7. Other information required by Listing Rule 4.3A

N/A

8. Audit

The financial statements have been audited by the Company's independent auditor without any modified opinion, disclaimer or emphasis of matter.



SelfWealth Limited

ABN 52 154 324 428

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General information

The financial statements cover SelfWealth Limited as an individual entity. The financial statements are presented in Australian dollars, which is SelfWealth Limited's functional and presentation currency.

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

Level 7, North End, 130 Lonsdale Street
Melbourne VIC 3000

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



Directors

Mr Robert Edgley - Non-Executive Chairman
Mr John O'Shaughnessy - Non-Executive Director
Mr Tam Vu - Non-Executive Director
Ms Catherine Whitaker - Managing Director and CEO (appointed 6 September 2021)
Mr Anthony Lally - Non-Executive Director (retired 21 October 2021)

Company secretary

Ms Mandy Drake (appointed 22 July 2021)

Registered office and principal place of business

Level 7, North End, 130 Lonsdale Street
Melbourne VIC 3000

Share register

Link Market Services Limited
Level 13, Tower 4
727 Collins Street
Melbourne VIC 3000
Telephone: +61 (0)3 9067 2005

Auditor

Grant Thornton Audit Pty Ltd
Collins Square, Tower 5
727 Collins Street
Melbourne VIC 3000
Telephone: +61 (0)3 8320 2222

Solicitors

K&L Gates
Level 25, 525 Collins Street
Melbourne VIC 3000
Telephone: +61 (0)3 9205 2000

Bankers

Westpac Banking Corporation
150 Collins Street
Melbourne VIC 3000

Stock exchange listing

SelfWealth Limited shares are listed on the Australian Securities Exchange (ASX code: SWF)

Website

www.selfwealth.com.au

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Dear Shareholders,

On behalf of the Board of Selfwealth, I am pleased to present to you the Annual Report for the 2022 Financial Year.

Over the past three years, Selfwealth has generated exceptional growth across all key metrics with Active Traders¹ up eight-fold to 125,944, funds under management up over five-fold to \$8.2 billion and total revenue up six-fold to \$20.3m.

In early FY22, the Board decided to invest in future-proofing the business to ensure the sustainability of long-term earnings growth and thus long-term value for shareholders. Our underlying strategy is to transition Selfwealth away from a 'cheap' ASX trading platform to a leading retail wealth management platform and to diversify revenue streams through new product launches and a commitment to exceptional customer service and a differentiated value proposition in market.

We received the support of our shareholders in July 2021 to raise \$11.74m to invest in our growth strategy. Over the past year, we have made significant progress on our 18-month transformation program to transition Selfwealth. We have completed a comprehensive brand refresh, developed a best-in-class approach to products and user experience, improved our delivery capability and attracted top talent in technology and marketing.

Over the past year, the strength and resilience of the Selfwealth business model has been demonstrated. Market conditions were more challenging in FY22, following two years of a significant increase in retail trading activity, due to ultra-low global interest rates and government stimulus.

In early 2022, market sentiment switched from optimism to pessimism due to the higher inflation outlook, interest rate speculation, and geopolitical tensions. Our customers switched out of equities and into cash, leading to the record cash balance on the platform and lower trading activity. Although the growth in our Active Traders slowed in FY22, we were able to continue growing revenue through the addition of new asset classes and the natural hedge against rising interest rates through a higher interest margin on our increasing clients' cash balance.

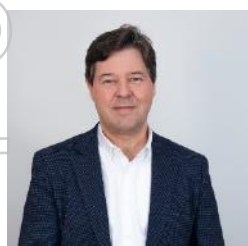
We remain confident in the growth opportunities ahead for Selfwealth in the retail wealth management industry, driven by the upcoming inter-generational transfer of an estimated \$3.5 trillion. We are well positioned to support the growing cohort of self-managed and un-advised retail investors in empowering their financial freedom.

We are a safe and trusted option for retail wealth management, with the enviable position of #3 in the Australian Online Broking industry and the leading challenger to the big banks.

In September 2021, our CEO Cath Whitaker joined our Board and I would like to thank Cath and the whole Selfwealth team for effectively executing on our transformation plan over the past year, and doing so in more challenging market conditions.

All of us at Selfwealth are very excited at what the next 12 months has in store for us. We thank our shareholders for their support and their patience whilst we made significant investments throughout 2022 to future proof the company. We expect shareholders to reap the benefits of that investment over the next 12 months and well into the future.

On behalf of the Board, I would like to thank our shareholders, stakeholders, and our dedicated staff for their continued support.



Rob Edgley
Chairman
SelfWealth Limited

¹ Active Traders are portfolios that are ready to trade, with cash and/or equities in their portfolio



Dear Shareholders,

I am very pleased to report that the 2022 Financial Year was a transformational year for Selfwealth, as we re-positioned the business to a leading retail wealth creation platform with sustainable revenue streams for long-term growth.

Over the past year, Selfwealth has been transitioning away from a 'cheap' ASX trading platform to a leading retail wealth management platform, with a clear purpose to encourage and empower people to achieve financial freedom.

Selfwealth has a vision to be the leading wealth creation platform for retail investors, by giving them access to a growing number of international markets, asset classes and market insights, all on an intuitive, easy-to-use platform with an exceptional user experience.

We are building a sustainable business where retail investors can trust that their cash, equities and other assets are safe.

In FY22 we diligently implemented our transformation program, as outlined in July 2021, and achieved a long list of key operational milestones. In addition, we successfully navigated a significant change in market conditions, from optimism to volatility to pessimism, while continuing to grow all our key metrics.

Australia's leading innovator in retail wealth management

Leading challenger to big banks & beyond

#3 in retail broking¹ behind two of the big four banks.



Value for Money 2020 & 2021

¹ Investment Trends Report H1 2022 Report
² Crypto launch imminent

On-track to offer crypto and shares

on the one platform.²



Deloitte.

27th, Deloitte Tech Fast 50

FT FINANCIAL TIMES

4th Australian company, Asia-Pacific High-Growth Companies awards

Diversified revenue

by product, by geography and through the cycle.



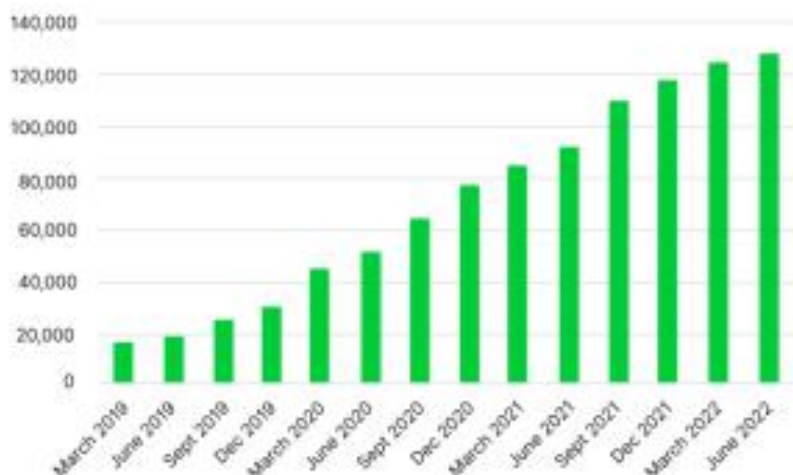
Revenue diversification in FY22 underpinning sustainable growth

Over the past three years, Selfwealth has delivered exceptional growth across all our key metrics:

- Total Revenue up 625% from \$2.8m in FY19 to \$20.3m in FY22
- Active Traders up 809% from 13,856 in FY19 to 125,944 in FY22
- Funds Under Management up 583% from \$1.2 billion in FY19 to \$8.2 billion in FY22



Active Trader Growth by Quarter



The revenue growth rate of 10% in FY22, was lower than the record growth rates in FY20 and FY21 due to falling retail trade volumes in a more challenging economic environment. However, the continued expansion of our total customer base and funds under management over the past three years, enabled the successful diversification of revenues to ensure the sustainability of our business model throughout the cycle.

Despite changing conditions and lower retail trading activity, in FY22 we benefited from a higher net interest margin on the cash held on our platform, as well as from subscription revenue and new asset classes, which underpinned our revenue growth.

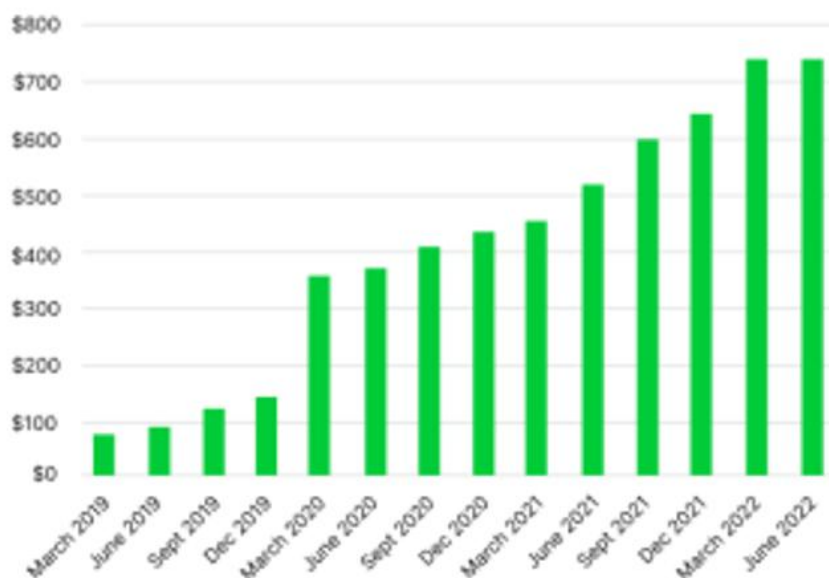
Investors going to cash

In early 2022, Selfwealth clients responded to the higher inflation outlook, interest rate speculation, and geopolitical tensions by switching out of equities and into cash, leading to the record cash balance on the platform and lower trading activity. Cash balances on the platform remained high at around \$736m through to the end of financial year in June, in a sign of continued caution around the short-term investment outlook.

The acceleration of interest rate rises by the Reserve Bank of Australia in early 2022 led to an increase in Selfwealth's net interest margin on cash. The net interest margin is returning to normal levels seen before the monetary policy easing cycle experiences prior to and throughout the COVID pandemic.



Total Client Cash AUD Holdings (\$m)



In the second half of FY22 Selfwealth experienced subdued trading activity, in line with the overall retail trading market. Selfwealth continued to increase Active Traders throughout the year, with increased revenue. The Selfwealth customer base is well-funded and has capacity to invest in new asset classes as they are added to the platform.

We continued to diversify our revenue streams through the addition of Hong Kong trading in March 2022, following the successful launch of US trading in December 2020.

In FY22, Selfwealth provided further evidence of the scalability and the operating leverage of its business model. The gross margin continued to increase from 33.4% in FY20 to 41.4% in FY21 to 47.3% in FY22, due to increased revenue from higher margin international operations and an increase in net interest margin.

Operating expenses increased to \$15.8m in FY22 from \$8.5m in FY21. Over the past year, Selfwealth has invested in the key areas of product, IT, and marketing. Staff costs increased in line with Selfwealth's strategy to attract key talent and to establish offshore teams to build new capability and a scalable delivery model.

The investment in internal capability has enabled us to deliver new asset classes and continued growth in Active Traders. We now have sufficient internal capacity to deliver on our transformation program, with staff numbers to remain approximately at current levels for the foreseeable future. Our focus is now on increasing deployment velocity.

Successful implementation of Transformation Program

In July 2021, Selfwealth raised \$11.74 million through a Placement Offer to institutional and sophisticated investors and a Share Purchase Plan (SPP) to accelerate our growth strategy through new product development and aggressive marketing initiatives.

We have now passed the halfway mark of our transformation program, with a long list of achievements including:

- The first major brand refresh
- The focus on educational content
- The launch of minor accounts
- The launch of Hong Kong trading
- Facilitating instant deposits
- Providing traders ESG data
- Chi-X trading
- Updated Premium membership offering
- The imminent launch of crypto



The benefits of this accelerated investment started to flow in early FY22 with new talent joining the Selfwealth team in technology, product, and marketing functions.

We have ongoing momentum as we move into the last part of the 18-month transformation program to build a leading retail wealth creation platform.

Award winning platform

- The Finder Investment Awards 2021 recognised the best Australian and international share trading platforms and accounts. Selfwealth was declared the winner in two categories: Best Australian Share Trading Account and Best Share Trading Platform (long term investors)
- AFR's Fast 100 where we ranked as the 10th Fastest Growing Company in Australia (awarded November 2021)
- Deloitte Tech Fast 50: Top 10 entrant (awarded April 2021) and Top 30 entrant (awarded April 2022)
- Financial Times – Asia-Pacific High-Growth Companies 2021, ranked #54 and #4 in Australia (awarded March 2022)
- Mozo People's Choice Awards for Share Trading — Value for Money (awarded 2022)

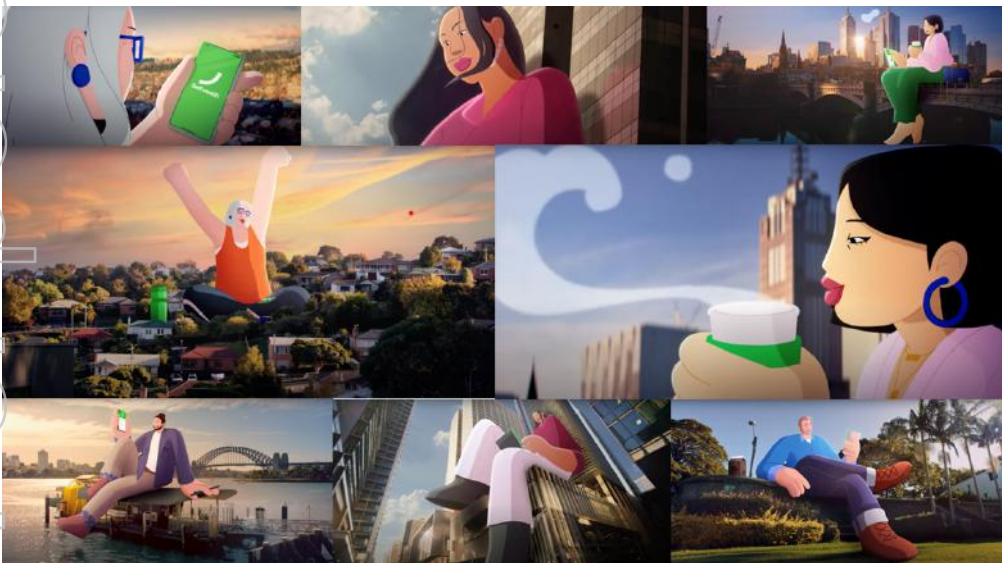
Brand refresh

In May 2022 Selfwealth launched its first ever brand refresh, repositioning the Company as a wealth creation platform and transitioning away from a 'cheap' ASX transactional platform.

The new branding reinforces Selfwealth's market positioning as an innovative wealth creation platform, which is distinct from competitors.

Selfwealth's new branding is informed by deep insights of its existing client community and the aspirational client acquisition plans. The brand refresh establishes a new visual identity and logo, providing assets beyond the company name to increase awareness among an increasingly diverse set of modern investors.

Beyond logos, the host of new imagery and messaging builds brand equity and informs ad campaigns that, due to audience targeting, drives more effective advertising at lower costs.





New product launches

Selfwealth continues to be Australia's leading innovator in retail wealth management, with deployment of new asset classes and ongoing improvements in the user experience.

In FY22, Selfwealth delivered product innovations including instant deposits, live pricing, the integration of ESG data, the deployment of Chi-X ETF access and additional US trading features, including pre-market access.

In March 2022, Selfwealth launched Hong Kong equities, providing access to China's largest and fastest growing tech sector. Australia, US, and HK equities are all now available on the platform.

Selfwealth also refreshed the subscription model allowing customers to benefit from real-time price fluctuations.

In the second phase of the transformation program, Selfwealth is focused on improving the customer experience. Selfwealth is now catering even more to customer requests and is increasing specialising education and content offerings following customer survey results.

Our focus is now on improving mobile app functionality and experience, in addition to adding new asset types. Mobile updates are important to Selfwealth customers and pivotal to maintaining a competitive edge and improving the user experience.

Imminent launch of crypto on Selfwealth platform

In early 2022, Selfwealth signed a Heads of Agreement with BTC Markets to provide access to select cryptocurrency assets on the Selfwealth platform. BTC Markets is Australia's largest and most liquid cryptocurrency exchange.

Selfwealth aims to be the first Australian-based online platform to combine direct Australian equities, US equities and cryptocurrency in a single account on the one wealth creation platform.

This product offering is in response to overwhelming demand from Selfwealth's customer base and ongoing retail investor demand in Australia. The addition of a cryptocurrency asset class to the Selfwealth platform will further enhance revenue diversification.

Cryptocurrency capabilities are built, with both testing and regulatory approvals finalised for imminent launch.

Focus on education and content

Over the past year, we have focused on new content development and investment webinars attended by thousands of customers every week.

In early FY22, Selfwealth initiated a market-leading investment webinar program, 'Selfwealth Live', to deliver independent and relevant content for customers. These weekly webinars have been a resounding success, with over 130,000 views to-date.

These sessions also include interviews with top fund managers and harness the platform's 'virtual portfolio' feature to model investing strategies viewers can follow at home.

In FY22, Selfwealth launched the Big Swinging Stocks podcast to provide important differentiation in the investor content landscape. The podcast is regularly ranked among Spotify's top 20 Australian Business Podcast rankings and has been downloaded over 9000 times in its first few months.

Data and analytics strategy

Selfwealth continues to gain market share in a competitive market by attracting a high value, engaged customer base. In FY22, Selfwealth implemented a range of strategic initiatives to increase the number of active trading portfolios, invest in data analytics and build engaging educational content for retail investors.



Through better utilisation of data, analytics and customer segmentation, Selfwealth is developing tailored service offerings that will improve customer acquisition, engagement and retention.

Looking Ahead

Selfwealth remains committed to building a sustainable wealth creation platform with diversified revenues. In FY23, we will continue to focus on strategic initiatives to attract and retain retail investors, including new education content, consumer behaviour analytics and improved user experience.

In FY23, Selfwealth will complete its 18-month transformation program, which started in early FY22. We continue to have a laser focus on the ROI on our investment to ensure that we continue to progress on the pathway back to profitability.

In FY23, Selfwealth anticipates benefiting from the annualised revenue uplift associated with recent interest rate rises and we are optimistic that our diversified revenue streams and ongoing new product launches will contribute to further improvement in cash flow in the coming quarters.

Selfwealth has now demonstrated that it has a scalable platform with diversified revenue streams with the potential for significant operating leverage. Our commitment is that we will be helping Australians build wealth for decades to come.



Cath Whitaker
CEO and Managing Director
SelfWealth Limited



The Directors present their report, together with the financial statements, on the Company for the year ended 30 June 2022.

Directors

The following persons were Directors of the Company during the whole of the financial year and up to the date of this report, unless otherwise stated:

- Mr Robert Edgley - Non-Executive Chairman
- Mr John O'Shaughnessy - Non-Executive Director
- Mr Tam Vu - Non-Executive Director
- Ms Catherine Whitaker - Managing Director and CEO (appointed 6 September 2021)
- Mr Anthony Lally - Non-Executive Director (retired 21 October 2021)

Principal activities

During the financial year the principal continuing activities of the Company consisted of:

- Online low cost share trading services in Australia, USA and Hong Kong
- Supporting retail investor communities in Australia through independent thought leadership, supporting materials, and community investing metrics.

Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations

In early FY22, the Board decided to invest in future-proofing the business to ensure the sustainability of long-term earnings growth and thus long-term value for shareholders. Following this decision, with support from its shareholders the company raised \$11.74m to invest in this growth strategy.

As a consequence of the investment undertaken, the loss from ordinary activities after income tax for FY22 increased to \$6.3m (FY21 loss: \$0.6m). This was primarily a result of the additional expenditure incurred as Selfwealth commenced its transformation away from a 'cheap' ASX trading platform to a leading retail wealth management platform.

This increased investment was consistent with our growth strategy and intention to invest in technology and capability to drive growth in existing revenue streams as well as the development of new revenue streams. Advertising costs also increased as we invested in a new brand relaunch and raised brand awareness to continue to position ourselves for increased growth over the coming years.

Total revenue for Selfwealth of \$20.3m was up 10.4% on the prior year with our key performance metrics of new active traders, trading volume, total client funds and the value of total securities held on HIN all contributing to this growth. The revenue growth was accompanied by an improvement in Gross Profit which increased from 41.4% of revenue in FY21 to 47.3% of revenue in FY22.

Selfwealth balance sheet remains strong with cash at the end of the year of \$11.5m. The Company continues to have no outstanding debt.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Company during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.

Likely developments and expected results of operations

There are no likely developments or details on the expected results of operations that the company has not disclosed.

Environmental regulation

The company is not subject to any significant environmental regulation in respect of its operations.



Information on Directors

Name:	Mr Robert Edgley
Title:	Non-Executive Chairman
Qualifications:	Robert holds a Bachelor of Economics from Monash University together with a secondary degree in Japanese language.
Experience and expertise:	Rob has over 30 years' experience in financial services and Fintech in the UK, Japan and Australia. He has been on the Board of many ASX Listed companies and privately run companies and Chairman on multiple companies. Rob's experience includes Praemium, Royal Bank of Scotland, NatWest, DataMesh, EVZ Limited, Kay & Burton Real Estate.
Other current directorships:	EVZ Limited (ASX: EVZ) Way 2 VAT Limited (ASX: W2V)
Former directorships (last 3 years):	None
Special responsibilities:	Chair of the Board Member of the remuneration and nomination committee Member of the audit and risk committee
Interests in shares:	3,728,250
Name:	Mr John O'Shaughnessy
Title:	Non-Executive Director
Qualifications:	John holds a Master of Business Administration from the Macquarie University Graduate School of Management and has qualified as a Fellow of the Governance Institute of Australia and a Fellow of the Financial Services Institute of Australasia.
Experience and expertise:	John has over 35 years in C-Suite roles and Directorships in financial services with a focus on funds management, wealth management and management consulting in Asia Pacific and in UK/Europe. He has been on the Board of two ASX Listed companies and many public, private and subsidiary companies and Chairman on three companies. John's experience includes Centrepont Alliance Limited, Kearney, Financial Services Council, TAL, AMP and the ASX.
Other current directorships:	None
Former directorships (last 3 years):	None
Special responsibilities:	Chair of the audit and risk committee Member of the remuneration and nomination committee
Interests in shares:	406,350
Name:	Mr Tam Vu
Title:	Non-Executive Director
Qualifications:	Tam holds a Bachelor of Science (Hons.) from the University of Adelaide.
Experience and expertise:	Tam has extensive experience across both the financial services and technology sector and brings significant experience as a digital thought leader and an entrepreneur. Tam has held senior executive positions for world class organisations such as seek.com.au, BP plc, Mars Asia Pacific and IBM. Since 2011, Tam founded his own professional services business and has invested in a number of start-up organisations. Tam brings significant skills in strategic planning, technology and innovation and corporate governance. Tam has substantial exposure to audit, risk and compliance having served as an independent member of the Audit, Risk & Compliance Committee at the National Gallery of Victoria and the Environment Protection Authority Victoria. Tam was a Non-Executive Director for GBST, a global fintech business headquartered in Sydney focusing on wealth management and capital markets.
Other current directorships:	None
Former directorships (last 3 years):	GBST Holdings Ltd (ASX: GBT), until November 2019
Special responsibilities:	Chair of the remuneration and nomination committee Member of the audit and risk committee
Interests in shares:	259,220



Name: Ms Catherine Whitaker (appointed 6 September 2021)
Title: Managing Director and CEO
Qualifications: Cath holds a Bachelor of Commercial Law (LLB) from Deakin University, a Bachelor of Economics from University of Queensland and a Bachelor of Arts (Journalism) from University of Queensland.
Experience and expertise: Global Financial Services Leader, with over twenty years' experience. Cath has lived in USA, UK, Singapore, Brasil and Australia. Cath is passionate about revenue generation, fintech, data driven decision making, digitising "core" businesses, awesome UX and developing people. Prior to leading Selfwealth, Cath was Managing Director at Marsh and McLennan and was the Global Leader of Digital Transformation.
Other current directorships: None
Former directorships (last 3 years): None
Special responsibilities: Member of the audit and risk committee
 Member of the remuneration and nomination committee
Interests in shares: None
Interests in rights: 2,623,678

Name: Mr Anthony Lally (retired 21 October 2021)
Title: Non-Executive Director
Qualifications: Anthony is a Fellow of the Institute of Actuaries in the United Kingdom and Australia and Graduate of the Australian Institute of Company Directors.
Experience and expertise: Anthony is a qualified actuary as well as an experienced company director (executive and non-executive) and chair covering listed companies, non-listed companies and not-for-profit organisations. His extensive investment expertise covers investment governance, investment strategy and management. Previous roles include chair and director of the Association of Superannuation Funds of Australia (ASFA), CEO of Sunsuper (2007 to 2013) and executive director of the four subsidiaries of the Commonwealth Bank which provided funds management, life insurance and custody services.
Other current directorships: None
Former directorships (last 3 years): FE Investments Group (ASX: FEI), until September 2019
Special responsibilities: Member of the audit and risk committee
 Member of the remuneration and nomination committee
Interests in shares: 823,346

Company secretary

The Company secretary is Ms Mandy Drake (appointed 22 July 2021).

Meetings of Directors

The number of meetings of the Company's Board of Directors ('the Board') and of each Board committee held during the year ended 30 June 2022, and the number of meetings attended by each Director were:

	Full Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Mr Robert Edgley	16	16	4	4	5	5
Mr John O'Shaughnessy	15	16	3	4	4	5
Mr Tam Vu	16	16	4	4	5	5
Ms Catherine Whitaker	16	16	4	4	5	5
Mr Anthony Lally	6	6	2	2	2	2

Held: represents the number of meetings held during the time the Director held office or was a member of the relevant committee.



Remuneration report (audited)

The directors present the SelfWealth Limited 2022 remuneration report, outlining key aspects of our remuneration policy and framework, and remuneration awarded this year.

The report is structured as follows:

- (a) Key management personnel (KMP) covered in this report
- (b) Remuneration policy and link to performance
- (c) Elements of remuneration
- (d) Link between remuneration and performance
- (e) Remuneration expenses
- (f) Contractual arrangements with executive KMPs
- (g) Non-executive director arrangements
- (h) Additional statutory information

Key management personnel (KMP) covered in this report

Non-executive and executive directors

Mr Robert Edgley - Non-Executive Chairman
Mr John O'Shaughnessy - Non-Executive Director
Mr Tam Vu - Non-Executive Director
Ms Catherine Whitaker - Managing Director and CEO (appointed director on 6 September 2021)
Mr Anthony Lally - Non-Executive Director (retired 21 October 2021)

Other key management personnel

Mr Andrew Dick - Chief Technology Officer
Ms Mandy Drake - Chief Financial Officer and Company Secretary (appointed 22 July 2021)

Remuneration policy and link to performance

Our remuneration and nomination committee is made up of non-executive directors. The committee reviews and determines our remuneration policy and structure annually to ensure it remains aligned to business needs, and meets our remuneration principles. In particular, the board aims to ensure that remuneration practices are:

- competitive and reasonable, enabling the Company to attract and retain key talent
- aligned to the Company's strategic and business objectives and the creation of shareholder value
- transparent and easily understood, and
- acceptable to shareholders.

The committee did not engage independent remuneration consultants to provide any necessary information to assist in the discharge of its responsibilities during the FY22 year.



Element	Purpose	Performance metrics	Potential value
Fixed remuneration (FR)	Provide competitive market salary including superannuation and non-monetary benefits	Nil	Positioned at the market rate
Short term incentive (STI)	Reward for in-year performance and retention	KPI achievement, determined by remuneration committee	CEO: Up to 50% of FR CTO: Up to 25% of FR CFO: Up to 25% of FR
Long term incentive (LTI)	Alignment to long-term shareholder value	KPI achievement, determined by remuneration committee	CEO: 2,623,678 performance rights vesting over 3 years, due 30 June 2024 CTO: 430,835 performance rights vesting over 3 years, due 30 June 2024 CFO: 331,412 performance rights vesting over 3 years, due 30 June 2024

Assessing performance

The remuneration and nomination committee is responsible for assessing performance against KPIs and determining the STI and LTI to be paid. To assist in this assessment, the committee benchmarks against independent market data.

Performance is monitored on an informal basis throughout the year and a formal evaluation is performed annually.

Share trading policy

SelfWealth Limited's securities trading policy applies to all directors and executives, see investors.selfwealth.com.au/Investors/?page=corporate-governance. It only permits the purchase or sale of Company securities during certain periods.

Elements of remuneration

(i) Fixed annual remuneration (FR)

Key management personnel may receive their fixed remuneration as cash, shares, options, loan shares, or cash with non-monetary benefits such as health insurance and car allowances. FR is reviewed annually, or on promotion. It is benchmarked against market data for comparable roles in companies in a similar industry and with similar market capitalisation. The committee aims to position executives at or near the median, with flexibility to take into account capability, experience, value to the organisation and performance of the individual.

(ii) Short-term incentives (STI)

All executives are entitled to participate in a short-term incentive scheme which provides for executive employees to receive a combination of short-term incentive (STI) as part of their total remuneration if they achieve certain performance indicators as set by the board. The STI can be paid either by cash, issue of equity, or a combination of cash and the issue of equity in the Company, at the determination of the remuneration and nomination committee and board.

STI is calculated from 50% of Company KPI's achieved and 50% from individual KPI's achieved. In 2022, apart from the CEO, 9 team members have been selected and accepted for STI, they are eligible to earn between 10% - 25% of their total remuneration.



(iii) Long-term incentives (LTI)

Executives may also be provided with longer-term incentives through the Company's 'employee share plan' (ESP) and 'employee share option plan' (ESOP), adopted on initial public offering of SelfWealth Limited on 22 November 2017 and the performance rights plan adopted on the 22 October 2020. The aim of the long-term incentive plans is to allow executives to participate in, and benefit from, the growth of the Company as a result of their efforts and to assist in motivating and retaining those key employees over the long-term. Continued service is the condition attached to the vesting of the options and loan share agreements. For the performance rights granted on 1 July 2021, there are service and performance conditions attached to the vesting of the performance rights. Continued service and achievement of revenue target is the condition attached to the vesting of the performance rights. The board at its discretion determines the total number of performance rights, options and loan shares granted to each executive.

Link between remuneration and performance

Statutory performance indicators

We aim to align our executive remuneration to our strategic and business objectives and the creation of shareholder wealth. The table below shows measures of the Company's financial performance over the last five years as required by the *Corporations Act 2001*. However, these are not necessarily consistent with the measures used in determining the variable amounts of remuneration to be awarded to KMPs. As a consequence, there may not always be a direct correlation between the statutory key performance measures and the variable remuneration awarded.

	2022	2021	2020	2019	2018
	\$	\$	\$	\$	\$
Operating revenue (\$M)	20.26	18.36	7.82	2.81	1.05
Loss for the year attributable to ordinary equity holders of SelfWealth Limited (\$M)	(6.26)	(0.65)	(3.04)	(3.45)	(5.35)
Basic earnings per share	(2.67)	(0.32)	(1.69)	(2.35)	(4.68)
Share price at year end	0.19	0.44	0.46	0.13	0.16

The Company has maintained a loss since inception due to its focus on growth. No dividends have ever been declared by SelfWealth Limited. The Company continues to focus on revenue growth with the objective of achieving key commercial milestones in order to add further shareholder value.

Remuneration expenses

Amounts of remuneration

The following table shows details of remuneration expenses of each director or other key management personnel recognised for the year ended 30 June 2022.



	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		Total \$
	Cash salary and fees \$	Cash bonus ² \$	Non-monetary ¹ \$	Super-annuation \$	Long service leave ¹ \$	Shares \$	Options/Rights \$	
2022								
Non-Executive Directors:								
Mr Robert Edgley ³	90,909	-	-	9,091	-	(60,857)	-	39,143
Mr Anthony Lally (retired 21 October 2021)	20,894	-	-	2,089	-	-	-	22,983
Mr John O'Shaughnessy	68,182	-	-	6,818	-	-	-	75,000
Mr Tam Vu	68,182	-	-	6,818	-	-	-	75,000
Executive Directors:								
Ms Catherine Whitaker	451,432	173,375	19,070	23,568	1,744	-	126,464	795,653
Other Key Management Personnel:								
Mr Andrew Dick	234,848	47,780	6,626	25,758	6,141	17,072	51,437	389,662
Ms Mandy Drake	196,386	45,625	7,822	19,639	238	-	15,974	285,684
	1,130,833	266,780	33,518	93,781	8,123	(43,785)	193,875	1,683,125

- (1) The amount disclosed in this column represent the movements in the associated provisions.
- (2) The cash bonus is calculated from achieving two components, the Company objectives and individual KPIs. The allocation of these components are 50% from achieving the Company objectives and 50% from achieving individual KPIs.
- (3) 553,250 shares was granted to Director Rob Edgley as short term incentive entitlement for 2020/2021 financial year. This was approved at the FY21 AGM held on the 21 October 2021. The shares was issued on the 26 October 2021 at \$0.33 per share, while they were accrued at \$0.44 per share in 2021 financial year, causing a negative movement in 2022 financial year.

The following table shows details of remuneration expenses of each director or other key management personnel recognised for the year ended 30 June 2021.



	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		Total \$
	Cash salary and fees \$	Cash bonus \$	Non-monetary* \$	Super-annuation \$	Long service leave* \$	Shares \$	Options/Rights \$	
2021								
Non-Executive Directors:								
Mr Robert Edgley (from 20 April 2021)	23,195	-	-	1,805	-	-	-	25,000
Mr Anthony Lally	94,432	-	-	8,971	-	-	-	103,403
Mr John O'Shaughnessy	77,169	-	-	7,331	-	-	-	84,500
Mr Tam Vu	77,169	-	-	7,331	-	-	-	84,500
Executive Directors:								
Mr Robert Edgley (until 19 April 2021) ¹	227,480	-	-	18,422	-	-	400,930	646,832
Other Key Management Personnel:								
Ms Catherine Whitaker	91,242	-	7,019	4,367	-	-	-	102,628
Mr Andrew Dick	226,243	22,397	11,437	21,493	9,025	32,089	42,478	365,162
	816,930	22,397	18,456	69,720	9,025	32,089	443,408	1,412,025

*The amount disclosed in this column represent the movements in the associated provisions.

¹ Mr Robert Edgley changed his role from Executive Director to Non-Executive Director on 20 April 2021. He was assigned 553,250 discretionary bonus ordinary shares for FY2021 performance. The share payment was approved at the October 2021 AGM.



The proportion of remuneration linked to performance and the fixed proportion are as follows:

Name	Fixed remuneration 2022	Fixed remuneration 2021	At risk - STI 2022	At risk - STI 2021	At risk - LTI 2022	At risk - LTI 2021
Non-Executive Directors:						
Mr Robert Edgley	100%	100%	-	-	-	-
Mr Anthony Lally	100%	100%	-	-	-	-
Mr John O'Shaughnessy	100%	100%	-	-	-	-
Mr Tam Vu	100%	100%	-	-	-	-
Executive Directors:						
Ms Catherine Whitaker	62%	100%	22%	-	16%	-
Mr Robert Edgley (until 19 April 2021)	-	33%	-	67%	-	-
Other Key Management Personnel:						
Mr Andrew Dick	70%	74%	12%	6%	18%	20%
Ms Mandy Drake	78%	-	16%	-	6%	-

The proportion of cash bonuses that was paid/vested for the year ended 30 June 2022 is as follows:

Name	STI allocation available %	Paid/vested %	Forfeited %
Executive Directors:			
Ms Catherine Whitaker	100.00%	73.00%	27.00%
Other Key Management Personnel:			
Mr Andrew Dick	100.00%	73.00%	27.00%
Ms Mandy Drake	100.00%	73.00%	27.00%

Contractual arrangements with executive KMPs

Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Ms Catherine Whitaker
Title:	Managing Director and CEO (appointed director on 6 September 2021)
Term of agreement:	Unspecified
Details:	Fixed remuneration of \$475,000 per annum, including statutory superannuation
Name:	Mr Andrew Dick
Title:	Chief Technical Officer
Term of agreement:	Unspecified
Details:	Fixed remuneration of \$260,000 per annum, including statutory superannuation
Name:	Ms Mandy Drake (appointed 22 July 2021)
Title:	Chief Financial Officer and Company Secretary
Term of agreement:	Unspecified
Details:	Fixed remuneration of \$250,000 per annum, including statutory superannuation

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.



Non-executive director arrangements

Non-executive directors receive a board fee of \$75,000 per annum. They do not receive performance-based pay or retirement allowances. The fees are inclusive of superannuation. The chairman receives \$100,000 per annum, reflective of the additional demands and responsibilities of this role.

Fees are reviewed annually by the board taking into account comparable roles and market data provided by the board's independent remuneration adviser. These fees were last reviewed in July 2021.

The maximum annual aggregate directors' fee pool limit is \$500,000, adopted on initial public offering of SelfWealth Limited on 22 November 2017.

Share-based compensation

There are no remaining options affecting the remuneration of KMP's in current or future reporting periods.

Loan shares

The details of each grant of loan shares affecting remuneration in the current or a future reporting period are as follows:

Name	Grant date	Expiry date	Issue price (\$)	Value per loan shares at grant date (\$)	Vested (%)
Mr Andrew Dick	1 July 2019	30 June 2023	0.126	0.1407	66.67

Details of loan shares holdings during the period and at 30 June 2022 are as follows:

Name	Opening balance	Issued	Forfeited	Closing balance
Mr Andrew Dick	600,000	200,000	-	400,000

Performance rights

The details of each grant of performance rights affecting remuneration in the current or a future reporting period are as follows:

Name	Grant date	Vesting date	Expiry date	Issue price (\$)	Value per performance rights at grant date (\$)	Vested (%)
Ms Catherine Whitaker	6 December 2021	30 June 2024	30 June 2039	-	0.290	-
Mr Andrew Dick	22 October 2020	30 June 2023	30 June 2038	-	0.605	-
Mr Andrew Dick	6 December 2021	30 June 2024	30 June 2039	-	0.290	-
Ms Mandy Drake	6 December 2021	30 June 2024	30 June 2039	-	0.290	-

Details of performance rights holdings during the period and at 30 June 2022 are as follows:

Name	Opening balance	Granted as remuneration	Forfeited	Closing balance
Ms Catherine Whitaker	-	2,623,678	-	2,623,678
Mr Andrew Dick	303,890	430,835	-	734,725
Ms Mandy Drake	-	331,412	-	331,412



Additional disclosures relating to key management personnel

Shareholding

The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Company, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration	Additions	Disposals/ other	Balance at the end of the year
<i>Ordinary shares</i>					
Mr Robert Edgley	3,175,000	553,250	-	-	3,728,250
Mr John O'Shaughnessy	377,778	-	28,752	-	406,530
Mr Tam Vu	259,220	-	-	-	259,220
Mr Anthony Lally (retired 21 October 2021)	823,346	-	-	-	823,346
Mr Andrew Dick	408,994	-	200,000	-	608,994
	5,044,338	553,250	228,752	-	5,826,340

Performance rights

	Balance at the start of the year	Granted as remuneration	Exercised	Expired/ forfeited/ other	Balance at the end of the year	Vested and exercisable
<i>Performance rights</i>						
Ms Catherine Whitaker	-	2,623,678	-	-	2,623,678	-
Mr Andrew Dick	303,890	430,835	-	-	734,725	-
Ms Mandy Drake	-	331,412	-	-	331,412	-
	303,890	3,385,925	-	-	3,689,815	-

This concludes the remuneration report, which has been audited.

Shares under option

There were no unissued ordinary shares of the Company under option outstanding at the date of this report.

Shares issued on the exercise of options

There were no ordinary shares of the Company issued on the exercise of options during the year ended 30 June 2022 and up to the date of this report.

Indemnity and insurance of officers

Insurance of officers

The Company has agreed to indemnify all the directors and executive officers of the Company against liability incurred to another person (other than the Company or related body corporate) that may arise from their position as directors and officers of the Company and its controlled entities, except where the liability arises out of conduct involving a lack of good faith.

During the financial year the Company paid a premium in respect of a contract insuring the directors and officers of the Company and its controlled entities against liability incurred in the course of their duties to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability insured against and the amount of the premium paid.

Indemnity of auditors

SelfWealth Limited has agreed to indemnify their auditors, Grant Thornton Audit Pty Ltd, to the extent permitted by law, against any claim by a third party arising from SelfWealth Limited's breach of their agreement. The indemnity stipulates that SelfWealth Limited will meet the full amount of any such liabilities including a reasonable amount of legal costs.



Proceedings on behalf of the Company

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the Company are important.

During the year, Grant Thornton provided non-audit services to the Company for taxation and other services.

The Board are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*.

During the year the fees paid or payable for non-audit services provided by the auditor of the Company, its related practices and non-related audit firms is \$54,400 (2021: \$13,200).

Auditor's independence declaration

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

Rounding of amounts

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the 'rounding off' of amounts in the directors' report. Amounts in the directors' report have been rounded off in accordance with the instrument to the nearest dollar.

This report is made in accordance with a resolution of directors.

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors

Mr Robert Edgley
Non-Executive Chairman

25 August 2022
Melbourne

Grant Thornton Audit Pty Ltd

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Auditor's Independence Declaration

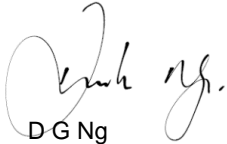
To the Directors of SelfWealth Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of SelfWealth Limited for the year ended 30 June 2022, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.



Grant Thornton Audit Pty Ltd
Chartered Accountants



D-G Ng
Partner – Audit & Assurance

Melbourne, 25 August 2022

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Corporate governance statement

SelfWealth Limited and the board are committed to achieving and demonstrating the highest standards of corporate governance. SelfWealth Limited has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2022 corporate governance statement is dated as at 30 June 2022 and reflects the corporate governance practices in place throughout the 2022 financial year. The 2022 corporate governance statement was approved by the board on 25 August 2022. A description of the Company's current corporate governance practices is set out in the Company's corporate governance statement which can be viewed at <https://www.selfwealth.com.au/investor-centre/#corporategovernance>

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SelfWealth Limited
Statement of profit or loss and other comprehensive income
For the year ended 30 June 2022



	Note	2022 \$	2021 \$
Revenue			
Revenue from contracts with customers	2	20,263,907	18,363,108
Cost of providing services		(10,678,202)	(10,766,386)
Gross profit		9,585,705	7,596,722
Other income	3	-	226,415
Expenses			
Selling and marketing expenses		(4,483,848)	(1,545,836)
General and administrative expenses		(11,372,565)	(6,937,605)
Operating loss		(6,270,708)	(660,304)
Finance income		37,998	21,625
Finance expenses		(31,768)	(8,018)
Finance costs - net		6,230	13,607
Loss before income tax		(6,264,478)	(646,697)
Income tax	5	-	-
Loss after income tax for the year	17	(6,264,478)	(646,697)
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		(6,264,478)	(646,697)
		Cents	Cents
Basic loss per share	27	(2.67)	(0.32)
Diluted loss per share	27	(2.67)	(0.32)

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

SelfWealth Limited
Statement of financial position
As at 30 June 2022



	Note	2022 \$	2021 \$
Assets			
Current assets			
Cash and cash equivalents	6	11,475,785	7,525,351
Trade and other receivables	7	587,023	245,850
Other assets	9	200,171	119,180
Total current assets		12,262,979	7,890,381
Non-current assets			
Plant and equipment		124,341	82,502
Right-of-use assets	8	734,049	40,170
Intangibles assets	10	3,150,642	7,823
Other assets	9	580,355	525,000
Total non-current assets		4,589,387	655,495
Total assets		16,852,366	8,545,876
Liabilities			
Current liabilities			
Trade and other payables	11	3,561,661	1,786,936
Contract liabilities	12	271,580	356,978
Lease liabilities	13	287,047	47,345
Employee benefits obligations	14	1,183,474	563,054
Provisions		-	20,000
Total current liabilities		5,303,762	2,774,313
Non-current liabilities			
Lease liabilities	13	472,184	-
Employee benefits obligations	14	63,655	59,245
Total non-current liabilities		535,839	59,245
Total liabilities		5,839,601	2,833,558
Net assets		11,012,765	5,712,318
Equity			
Share capital	15	38,820,612	27,287,723
Other reserves	16	667,943	635,907
Accumulated losses	17	(28,475,790)	(22,211,312)
Total equity		11,012,765	5,712,318

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

SelfWealth Limited
Statement of changes in equity
For the year ended 30 June 2022



	Share capital \$	Other Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2020	23,878,834	1,532,862	(21,564,615)	3,847,081
Loss after income tax for the year	-	-	(646,697)	(646,697)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(646,697)	(646,697)
<i>Transactions with ordinary equity holders in their capacity as ordinary equity holders:</i>				
Share-based payments (note 28)	-	648,592	-	648,592
Issue of shares to employees	160,281	(160,281)	-	-
Options exercised	2,286,108	(422,766)	-	1,863,342
Issue of shares to directors	962,500	(962,500)	-	-
Balance at 30 June 2021	27,287,723	635,907	(22,211,312)	5,712,318
	Share capital \$	Other Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2021	27,287,723	635,907	(22,211,312)	5,712,318
Loss after income tax for the year	-	-	(6,264,478)	(6,264,478)
Other comprehensive income for the year, net of tax	-	-	-	-
Total comprehensive loss for the year	-	-	(6,264,478)	(6,264,478)
<i>Transactions with ordinary equity holders in their capacity as ordinary equity holders:</i>				
Capital raised during the year	11,735,500	-	-	11,735,500
Less: capital raising costs	(660,676)	-	-	(660,676)
Issue of shares to third party	26,250	-	-	26,250
Issue of shares to director	182,573	(243,430)	-	(60,857)
Loan shares paid	249,242	(99,632)	-	149,610
Share-based payments	-	501,723	-	501,723
Performance rights forfeited	-	(103,810)	-	(103,810)
Loan shares forfeited	-	(22,815)	-	(22,815)
Balance at 30 June 2022	38,820,612	667,943	(28,475,790)	11,012,765

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

SelfWealth Limited
Statement of cash flows
For the year ended 30 June 2022



	Note	2022 \$	2021 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		21,439,305	19,718,220
Payments to suppliers and employees (inclusive of GST)		(25,094,453)	(18,807,939)
		(3,655,148)	910,281
Interest received		37,998	26,389
Interest and other finance costs paid		(31,768)	(8,009)
Government grants and R&D tax incentives		-	179,397
Net cash inflow/(outflow) from operating activities	26	(3,648,918)	1,108,058
Cash flows from investing activities			
Payments for plant and equipment		(227,778)	(50,352)
Payments for intangibles	10	(3,209,126)	-
Payments for other non-current assets		(55,355)	(525,000)
Other (bond received)		63,363	-
Proceeds from disposal of property, plant and equipment		2,017	-
Net cash outflow from investing activities		(3,426,879)	(575,352)
Cash flows from financing activities			
Proceeds from issue of shares	15	11,735,500	-
Proceeds from options exercised		-	1,827,323
Share issue transaction costs		(660,677)	-
Proceeds from options exercised/loan shares paid		149,610	-
Principal elements of lease payments		(198,202)	(95,829)
Net cash inflow from financing activities		11,026,231	1,731,494
Net increase in cash and cash equivalents		3,950,434	2,264,200
Cash and cash equivalents at the beginning of the financial year		7,525,351	5,261,151
Cash and cash equivalents at the end of the financial year	6	11,475,785	7,525,351

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



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Note 1. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of SelfWealth Limited. The Company has identified one reportable segment; that is, to provide a flat-fee securities brokerage service in Australia. The segment details are therefore fully reflected in the body of the financial statements.

Note 2. Revenue from contracts with customers

	2022 \$	2021 \$
Equities trading revenue ¹	13,764,650	13,832,458
Membership subscription revenue ²	566,954	607,131
Interest income ³	5,859,672	3,869,111
Other revenue	72,631	54,408
	<u>20,263,907</u>	<u>18,363,108</u>

- (1) Trading revenue: The Company charges a flat fee buy and sell trades, and is recognised at a point in time when the Company has facilitated the trading request, the single performance obligation. International transfer fee applies for international shares trading transactions.
- (2) Membership subscription revenue: Revenue is earned from memberships over the time period the membership relates. Where a membership includes free trades, the transaction price is allocated between the trades and the membership.
- (3) Interest income: Interest income is generated on client monies held in the Trading Cash Account. These accounts are held in the name of the customers and therefore not recognised in the Company's statement of financial position. Income is recognised over time in the accounting period in which investment relates.

Note 3. Other income

	2022 \$	2021 \$
Government grants	-	(20,603)
Subsidies and grants	-	247,018
Other income	-	226,415
	<u>-</u>	<u>226,415</u>

Fair value of R&D tax incentive and government assistance

The Company's research and development (R&D) activities are eligible under an Australian government tax incentive for eligible expenditure from 1 July 2011. Management has assessed these activities and expenditure to determine which are likely to be eligible under the incentive scheme. Government grants are recognised at their fair value when it has been established that the conditions of the tax incentive have been met and that the expected amount can be reliably measured.

For the year ended 30 June 2022, the Company does not have a R&D tax incentive accrual and did not receive government assistance.



Note 4. Expenses

	2022 \$	2021 \$
Loss before income tax includes the following specific expenses:		
<i>Cost of sales</i>		
Cost of sales	10,678,202	10,766,386
<i>Depreciation</i>		
Plant and equipment	156,970	19,050
Buildings right-of-use assets	216,208	95,829
Total depreciation	373,178	114,879
<i>Amortisation</i>		
Computer software	48,172	-
Patents and trademarks	4,713	-
Domain name	13,422	-
Total amortisation	66,307	-
Total depreciation and amortisation	439,485	114,879
<i>Finance costs</i>		
Interest and finance charges paid/payable on lease liabilities	31,768	8,009
Superannuation expense	527,537	302,720
Share-based payments expense	340,491	648,593
Employee benefits expense excluding superannuation	7,259,643	3,941,180

Note 5. Income tax expense

	2022 \$	2021 \$
<i>Numerical reconciliation of income tax and tax at the statutory rate</i>		
Loss before income tax	(6,264,478)	(646,697)
Tax at the statutory tax rate of 25% (2021: 26%)	(1,566,120)	(168,141)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Entertainment expenses	1,476	1,329
Share-based payments	85,123	168,634
R&D tax incentive (net)	-	5,357
Blackhole expenditure (Section 40-880, ITAA 1997)	(107,499)	(85,276)
Government assistance	-	(13,000)
Donation	12,534	-
Tax losses and other timing differences for which no deferred tax asset is recognised	(1,574,486)	(91,097)
Income tax	-	-



Note 5. Income tax expense (continued)

	2022 \$	2021 \$
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	20,042,642	13,744,701
Potential tax benefit @ 25%	5,010,661	3,436,175

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

Note 6. Cash and cash equivalents

	2022 \$	2021 \$
<i>Current assets</i>		
Cash at bank	1,975,785	3,025,351
Deposits at call	9,500,000	4,500,000
	11,475,785	7,525,351

Term deposits are presented as cash equivalents if they have a maturity of three months or less from the date of acquisition and are repayable with 24 hours notice with no loss of interest. See note 29 for the Company's other accounting policies on cash and cash equivalents.

Note 7. Trade and other receivables

	2022 \$	2021 \$
<i>Current assets</i>		
Accrued receivables	145,026	175,556
GST refundable	134,335	45,791
Other receivables	307,662	24,503
	587,023	245,850

Other receivables relate to an expected payroll tax refund from State Revenue Office Victoria.

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

Note 8. Right-of-use assets

	2022 \$	2021 \$
<i>Non-current assets</i>		
Properties - right-of-use	910,088	287,751
Less: Accumulated depreciation	(176,039)	(247,581)
	734,049	40,170



Note 8. Right-of-use assets (continued)

Commencing on 1 December 2021, the Company moved premises to Level 7, 130 Lonsdale Street, Melbourne, under a lease agreement for 3 years with an option to extend for a further 3 years.

Reconciliations

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

	Total \$
Balance at 1 July 2020	135,999
Depreciation expense	(95,829)
Balance at 30 June 2021	40,170
Additions	910,088
Depreciation expense	(216,209)
Balance at 30 June 2022	734,049

Note 9. Other assets

	2022 \$	2021 \$
<i>Current assets</i>		
Prepayments	190,255	49,750
Other current assets	9,916	69,430
	200,171	119,180
<i>Non-current assets</i>		
Other non-current assets	580,355	525,000
	780,526	644,180

Other non-current assets relate to deposits held with key trading partners which is not expected to be recalled within the next 12 months.



Note 10. Intangibles assets

	2022 \$	2021 \$
<i>Non-current assets</i>		
Computer software development in progress - at cost	2,620,755	-
Domain name - at cost	38,385	28,073
Less: Accumulated amortisation	(38,385)	(24,963)
	-	3,110
Patents and trademarks - at cost	74,923	74,923
Less: Accumulated amortisation	(74,923)	(70,210)
	-	4,713
Completed computer software - at cost	578,159	-
Less: Accumulated amortisation	(48,272)	-
	529,887	-
	3,150,642	7,823

Reconciliations

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

	Computer software development in progress \$	Completed computer software \$	Domain name \$	Patents/ trademarks \$	Total \$
Balance at 1 July 2020	-	-	2,988	3,749	6,737
Additions	-	-	122	964	1,086
Balance at 30 June 2021	-	-	3,110	4,713	7,823
Additions	3,198,814	-	10,312	-	3,209,126
Transfers in/(out)	(578,059)	578,059	-	-	-
Amortisation expense	-	(48,172)	(13,422)	(4,713)	(66,307)
Balance at 30 June 2022	2,620,755	529,887	-	-	3,150,642



Note 11. Trade and other payables

	2022 \$	2021 \$
<i>Current liabilities</i>		
Trade payables	2,831,065	1,431,561
Accrued expenses	510,779	242,480
Other payables	219,817	112,895
	<u>3,561,661</u>	<u>1,786,936</u>

Trade payables are unsecured and are usually paid within 60 days of recognition. The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

Note 12. Contract liabilities

	2022 \$	2021 \$
<i>Current liabilities</i>		
Contract liabilities	<u>271,580</u>	<u>356,978</u>

Contract liabilities relate to membership subscriptions that have been received in advance. Where a membership includes free trades, the transaction price is allocated between the trades and the membership and a contract liability has been recognised for the portion of the revenue where the recognition criteria have not been satisfied. All contract liabilities recognised at the start of the reporting period have been recognised as revenue during the financial year.

Note 13. Lease liabilities

	2022 \$	2021 \$
<i>Current liabilities</i>		
Lease liability	<u>287,047</u>	47,345
<i>Non-current liabilities</i>		
Lease liability	<u>472,184</u>	-
	<u>759,231</u>	<u>47,345</u>

Refer to note 19 for further information on financial risk management.



Note 14. Employee benefits obligations

	2022 \$	2021 \$
<i>Current liabilities</i>		
Annual leave	570,130	335,319
Long service leave	122,431	70,505
Employee performance bonus	490,913	157,230
	<u>1,183,474</u>	<u>563,054</u>
<i>Non-current liabilities</i>		
Long service leave	63,655	59,245
	<u>1,247,129</u>	<u>622,299</u>

The leave obligations cover the Company's liabilities for long service leave and annual leave which are classified as either other long-term benefits or short-term benefits, as explained in note 29.

The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also for those employees that are entitled to pro-rata payments in certain circumstances. The entire amount of the current annual leave provision of \$570,130 and long service leave provision of \$122,431 are presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Note 15. Share capital

	2022 Shares	2021 Shares	2022 \$	2021 \$
Ordinary shares - fully paid	<u>236,385,819</u>	<u>205,357,919</u>	<u>38,820,612</u>	<u>27,287,723</u>



Note 15. Share capital (continued)

Details	Number of shares	Total \$
Balance at 1 July 2020	195,861,000	23,878,834
Issue at \$0.17 pursuant to option exercised (1 Jul 2020)	211,880	36,020
Issue at \$0.25 pursuant to option exercised (2 Jul 2020)	500,000	125,000
Issue at \$0.25 pursuant to option exercised (13 Jul 2020)	1,076,454	269,114
Issue at \$0.25 pursuant to option exercised (2 Sep 2020)	2,000,000	500,000
Issue bonus shares to staff and executives under ESOP (10 Sep 2020)	225,748	160,281
Issue at \$0.25 pursuant to option exercised (6 Oct 2020)	3,532,837	883,209
Issue at \$0.25 pursuant to option exercised (12 Oct 2020)	200,000	50,000
Issue shares to managing director (27 Oct 2020)	1,750,000	962,500
Exercised option fair value transfer from reserve to issued capital	-	422,765
Balance at 30 June 2021	205,357,919	27,287,723
Issue at \$0.39 pursuant to 1st tranche Placement (22 Jul 2021)	22,307,693	8,700,000
Issue at \$0.39 pursuant to 2nd tranche Placement (30 Jul 2021)	3,333,333	1,300,000
Issue at \$0.35 pursuant to Shares Purchase Plan (12 Aug 2021)	4,958,624	1,735,500
Issue at \$0.35 to CFO Solution (23 Aug 2021) ¹	75,000	26,250
Release from Escrow pursuant to ESP Loan Shares scheme ²	-	149,610
Paid loan shares transfer from reserve to issued capital ³	-	99,632
Issue at \$0.33 to Director Rob Edgley (26 Oct 2021) ⁴	553,250	182,573
Loan shares forfeited due to staff resignation	(200,000)	-
Less: capital raising costs	-	(660,676)
Balance at 30 June 2022	236,385,819	38,820,612

- (1) Shares granted to CFO Solution as part of professional service rendered as approved by the Board.
- (2) The payment for:
 - a) 600,000 shares that relates to the ESP Loan Shares scheme dated 1 July 2019, where 2,150,000 shares were issued and escrowed.
 - b) 493,400 shares that relates to the ESP Loan Shares scheme dated 15 May 2019, where 854,750 shares were issued and escrowed.
- (3) Transfer of 1,093,400 paid loan shares from reserve.
- (4) Shares granted to Director Rob Edgley as short term incentive entitlement for 2020/2021 financial year. This was approved at the FY21 AGM held on the 21 October 2021.

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 16. Other reserves

The statement of financial position line item 'other reserves' comprises the 'share-based payments reserve'.



Note 16. Other reserves (continued)

Share-based payments reserve

The reserve is used to recognise the value of equity benefits provided to employees and Directors as part of their remuneration, and other parties as part of their compensation for services.

Movements in share-based payments reserve

Details	Number of options	Number of performance rights	Total \$
Balance at 1 July 2020	7,451,217	-	1,532,862
Issue bonus shares to staff for FY2020 performance	-	-	(160,281)
Amortisation of share-based payments for options	-	-	4,625
Amortisation of share-based payments for performance rights ¹	-	1,431,617	144,090
Amortisation of share-based payments for loan shares	-	-	113,947
Additional expense for fair value adjustment of remuneration share-based payments	-	-	90,000
Bonus shares share-based payments	-	-	295,929
Bonus shares issue to managing director for FY2020 performance	-	-	(412,500)
Options exercised during the period	(7,451,217)	-	(422,765)
Remuneration share-based payments	-	-	(550,000)
Balance at 30 June 2021	-	1,431,617	635,907
Issue of shares to Director Rob Edgley	-	-	(243,430)
Loan shares paid and released from Escrow ²	-	-	(99,632)
Performance rights forfeited due to staff resignation	-	(1,064,302)	(103,810)
Amortisation of performance rights under ESOP for FY22 ³	-	6,183,181	298,035
Amortisation of share-based payments for loan shares and performance rights issued in prior periods	-	-	203,688
Loan shares forfeited due to staff resignation ²	-	-	(22,815)
Balance at 30 June 2022	-	6,550,496	667,943

(1) In October 2020 through the Company's 'employee share plan' (ESP) and 'employee share option plan' (ESOP), 1,431,617 performance rights was issued as part of long-term incentive plan for the FY2021.

(2) Related to:

a) ESP Loan Shares scheme dated 1 July 2019, where 2,150,000 shares was issued and escrowed. 600,000 shares has now been fully paid and released from Escrow. 200,000 shares were forfeited due to staff resignation.

b) ESP Loan Shares scheme dated 15 May 2019, where 854,750 shares was issued and escrowed. 493,400 shares has now been fully paid and released from Escrow.

(3) In December 2021 through the Company's 'employee share plan' (ESP) and 'employee share option plan' (ESOP), 6,183,181 performance rights was issued as part of long-term incentive plan for the FY2022.



Note 17. Accumulated losses

	2022 \$	2021 \$
Accumulated losses at the beginning of the financial year	(22,211,312)	(21,564,615)
Loss after income tax for the year	<u>(6,264,478)</u>	<u>(646,697)</u>
Accumulated losses at the end of the financial year	<u><u>(28,475,790)</u></u>	<u><u>(22,211,312)</u></u>

Note 18. Dividends

There were no dividends paid, recommended or declared during the current or previous financial year.

Note 19. Financial risk management

This note explains the Company's exposure to financial risks and how these risks could affect the Company's future financial performance.

The Company's risk management is predominantly controlled by the board. The board monitors the Company's financial risk management policies and exposures and approves substantial financial transactions. It also reviews the effectiveness of internal controls relating to market risk, credit risk and liquidity risk.

Market risk

Foreign currency risk

The majority of the Company's operations are denominated in Australian dollars, with the few exceptions on services acquired from overseas suppliers but at a marginally insignificant amount and frequency. Therefore, management has concluded that market risk from foreign exchange fluctuation is not material.

Cash flow and interest rate risk

The Company's main interest rate risk arises from Trading Cash Account deposits held in the name of its customers. In order to maintain the expected annual net margin, management works closely with reputable financial institutions to obtain the highest return rates.

The Company has no borrowings other than the lease liabilities and therefore the only interest-bearing asset is cash at bank, and any interest earned is immaterial.

Credit risk

Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the Company.

Risk management

The Company manages credit risk and the losses which could arise from default by ensuring that financial assets such as cash at bank are held with reputable organisations.

Sales to retail customers are required to be settled in cash or using major credit cards, mitigating credit risk. Given all trades sold to customers are prepaid, management determines credit risk to be low.

Liquidity risk

Vigilant liquidity risk management requires the Company to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable. The Company manages this risk through the following mechanisms:



Note 19. Financial risk management (continued)

- preparing forward-looking cash flow analysis in relation to its operating, investing and financing activities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile;
- managing credit risk related to financial assets;
- investing cash and cash equivalent and deposits at call or term deposits less than 90 days with major financial institutions; and
- comparing the maturity profile of financial liabilities with the realisation profile of financial assets.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flows.

	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Total contractual cash flows \$	Carrying amount liabilities \$
2022						
Trade and other payables	3,561,661	-	-	-	3,561,661	3,561,661
Lease liabilities	326,287	343,998	149,178	-	819,463	759,231
Total non-derivatives	3,887,948	343,998	149,178	-	4,381,124	4,320,892

	1 year or less \$	Between 1 and 2 years \$	Between 2 and 5 years \$	Over 5 years \$	Total contractual cash flows \$	Carrying amount liabilities \$
2021						
Trade and other payables	1,786,936	-	-	-	1,786,936	1,786,936
Lease liabilities	48,002	-	-	-	48,002	47,345
Total non-derivatives	1,834,938	-	-	-	1,834,938	1,834,281

Note 20. Capital management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other shareholders, and
- maintain an optimal capital structure to reduce cost of capital.

In order to maintain or adjust the capital structure, the Company may issue new shares or reduce its capital, subject to the provisions of the Company's constitution. The capital structure of the Company consists of equity attributed to equity holders of the Company, comprising contributed equity, reserves and accumulated losses. By monitoring undiscounted cash flow forecasts and actual cash flows provided to the board by the Company's management, the board monitors the need to raise additional equity from the equity markets.



Note 21. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Grant Thornton Audit Pty Ltd, the auditor of the Company:

	2022 \$	2021 \$
<i>Audit services -</i>		
Audit or review of the financial statements	<u>70,500</u>	52,500
<i>Non-audit services -</i>		
Tax compliance service	14,400	10,450
Other services	<u>40,000</u>	2,750
	<u>54,400</u>	13,200
	<u><u>124,900</u></u>	<u><u>65,700</u></u>

Note 22. Contingent liabilities

The Company had no contingent liabilities at 30 June 2022 (2021: nil).

Note 23. Commitments

Non-cancellable operating leases

There is no operating lease commitment in 2022, refer to Leased assets note 13.

Note 24. Related party transactions

Key management personnel compensation

	2022 \$	2021 \$
Short-term employee benefits	1,431,131	857,783
Post-employment benefits	93,781	69,720
Long-term benefits	8,123	9,025
Share-based payments	<u>150,090</u>	475,497
	<u><u>1,683,125</u></u>	<u><u>1,412,025</u></u>

Detailed remuneration disclosures are provided in the remuneration reports within the Director's report.

Transactions with other related parties

There were no transactions with related parties during the current and previous financial year.

Note 25. Events after the reporting period

No matter or circumstance has arisen since 30 June 2022 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.



Note 26. Reconciliation of loss after income tax to net cash inflow/(outflow) from operating activities

	2022 \$	2021 \$
Loss after income tax for the year	(6,264,478)	(646,697)
Adjustments for:		
Depreciation and amortisation	439,485	114,879
Write off of property, plant and equipment	23,605	-
Share-based payments	340,491	648,953
Change in operating assets and liabilities:		
Increase in trade and other receivables	(353,569)	(73,429)
Decrease/(increase) in other operating assets	(144,354)	119,020
Increase in trade and other payables	1,774,542	593,931
Increase/(decrease) in contract liabilities	(85,398)	93,977
Increase in employee benefits	624,828	257,424
Decrease in other provisions	(4,070)	-
Net cash inflow/(outflow) from operating activities	<u>(3,648,918)</u>	<u>1,108,058</u>

Note 27. Earnings per share

	2022 \$	2021 \$
Loss after income tax	<u>(6,264,478)</u>	<u>(646,697)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic loss per share	<u>234,194,667</u>	<u>203,344,966</u>
Weighted average number of ordinary shares used in calculating diluted loss per share	<u>234,194,667</u>	<u>203,344,966</u>
	Cents	Cents
Basic loss per share	(2.67)	(0.32)
Diluted loss per share	(2.67)	(0.32)

Due to the net loss, dilutive loss per share is the same as basic loss per share.

Note 28. Share-based payments

(a) Employee share plan (loan shares)

The establishment of the 'employee share plan' (ESP) was adopted on initial public offering of SelfWealth Limited on 22 November 2017. The plan is designed to provide long-term incentives for employees (including directors) and consultants to deliver long-term shareholder returns.

Under the ESP, provision for the issuance of loan shares is as follows:



Note 28. Share-based payments (continued)

- Loan shares are shares in the Company, each carrying the same dividend rights and otherwise ranking pari passu in all respects with the ordinary issued shares of the Company, where the subscription price is funded by way of a loan from the Company;
- Offers under the plan are the absolute discretion of the board;
- Financial assistance is provided to participants by way of a limited recourse interest-free loan to acquire the shares;
- The Company retains security over the loan shares whilst ever there is an amount outstanding under the loan;
- Loan shares that have not vested and/or are subject to loan repayment will be restricted from trading; and
- Loan shares will vest subject to continued employment with SelfWealth Limited.

On 15 May 2019, the Company issued 854,750 shares at a deemed issue price of \$0.15 under escrow until 13 May 2022 in exchange for a loan agreement entered into with each employee. These shares vest over three years; 20% on issue, 20% at 12 months from the date of issue, 20% at 24 months from date of issue and 40% at 36 months from date of issue. The non-interest-bearing loans become due and payable (unless extended by the Company in its absolute discretion) on the first to occur of the following:

- 90 days after the participants ceases for any reason to be employed or engaged by the Company;
- By the legal personal representative of the participant, six month after the participant ceases to be an employee or consultant of the Company due to their death;
- A material breach by the participant of the terms of the loan agreement; and
- The repayment date for loan shares issued on 15 May 2019 is 13 May 2024.

On 1 May 2020, the Company issued 2,150,000 shares at a deemed issue price of \$0.126 under escrow until 30 June 2023 in exchange for a loan agreement entered into with senior management. These shares vest over four years; 33% at 30 June 2021, 33% at 30 June 2022 and 34% at 30 June 2023. The non-interest-bearing loans become due and payable (unless extended by the Company in its absolute discretion) on the first to occur of the following:

- 90 days after the participant ceases for any reason to be employed or engaged by the Company;
- By the legal personal representative of the participant, six month after the participant ceases to be an employee or consultant of the Company due to their death;
- A material breach by the participant of the terms of the loan agreement; and
- The repayment date for loan shares issued on 1 May 2020 is 30 June 2023.

If the loan becomes due and payable under any term of the agreement and the participant has not repaid the outstanding loan balance in full within 21 days of the date due, then the participant will forfeit their interest in the loan shares as full consideration for repayment and the Company may at its election take action including but not limited to undertaking a buyback or selling the loan shares.

After the escrow period, all proceeds received (after payment of the expenses of the sale or buyback) are to be applied in the following order of priority:

- First, to the Company in repayment (or if there is insufficient funds to fully repay, then in reduction and consequent discharge) of the outstanding loan balance; and
- Secondly, to the participant, being the balance (if any).

Under the applicable Accounting Standards, the loan shares and related limited recourse loan are accounted for as options, which gives rise to a share-based payment expense. The treatment of the loan shares under the applicable Accounting Standards as options requires that the value of the loans and issue price of the shares are not recorded as receivables or share capital of the Company until repayment or part repayment of the loans occurs. The loan shares are entitled to dividends. Any dividends paid in respect of the loan shares will be applied to reduce the loans and increase share capital in accordance with both the plan rules and applicable Accounting Standards.

Set out below are the movement during the period of loan shares granted under the plan:



Note 28. Share-based payments (continued)

	Opening balance	Issued	Forfeited	Closing balance
Loan shares	3,004,750	(1,093,400)	(200,000)	1,711,350
Weighted average remaining contractual life of loan shares outstanding at end of period				1.18

(b) Performance rights

To foster an ownership culture within the Company and to motivate, employees, senior management and Directors to achieve performance targets of the Company, the Performance Rights Plan was approved by shareholders at the AGM on 22 October 2020. This plan is designed to provide long term incentives for employees (including directors) and consultants to deliver long term shareholder returns, whilst at the same time offering eligible participants market-competitive remuneration arrangements. For the performance rights granted on 1 July 2021, there are service and performance conditions attached to the vesting of the performance rights. Continued service and achievement of the revenue target are the conditions attached to the vesting of the performance rights.

During the year, it was agreed to issue 6,183,181 performance rights valued at \$896,561. The value is determined using the fair value of the Company's ASX traded shares on grant date.

	Grant date	Vesting date	Expiry date	Exercise price	Amount	Value \$
Performance rights	22 October 2020	30 June 2023	30 June 2038	\$0.00	1,431,617	433,064
Performance rights	6 December 2021	30 June 2024	30 June 2039	\$0.00	6,183,181	896,561
					7,614,798	1,329,625

Set out below are the movement during the period of performance rights granted under the plan:

	Opening balance	Issued	Forfeited	Closing balance
Performance rights	1,431,617	6,183,181	(1,064,302)	6,550,496

(c) Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the period were as follows:

	2022 \$	2021 \$
Loan shares issued to employees under ESP	42,112	113,947
Options issued under ESOP	-	4,628
Other STI & LTI	332,986	530,017
Shares issued to 3 rd party	26,250	-
Adjustment on shares issued to Director Rob Edgley (26 October 2021)	(60,857)	-
	340,491	648,592



Note 29. Significant accounting policies

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

New or amended Accounting Standards and Interpretations adopted

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

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

Going concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the Company incurred a loss of \$6,264,478 and had cash outflow from operating activities of \$3,648,918 for the year ended 30 June 2022. As at 30 June 2022, the Company held cash and cash equivalents of \$11,475,785.

In the process of approving the Company's internal forecast and business plan for upcoming financial years, the board has considered the cash position of the Company within the next 12 months from the date of this report, further supported by the application of sensitivity analysis and stress-testing of the key existing revenue stream assumptions used with consideration to historical growth rate. Based on the assessment of the company's ability to achieve its growth targets, the board believes that the group will continue as a going concern and be able to repay its debts as and when they fall due. The board also acknowledges the company's access to the capital market should additional funding is required.

Accordingly, the financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Compliance with IFRS

The financial statements of the SelfWealth Limited also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board (IASB).

Historical cost convention

The financial statements have been prepared under the historical cost convention.

Critical accounting estimates

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are discussed below.

Share-based payment transactions

The Company measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted or the fair value of the Company's ASX traded shares on grant date. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.



Note 29. Significant accounting policies (continued)

Recognition of intangible assets

Computer software development

The Company records direct costs associated with the development of computer software where it is considered probable that future economic benefits that are attributable to the asset will flow to the business and the cost can be measured reliably.

Estimation of useful lives of assets

The Company determines the estimated useful lives and related amortisation charges for its finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

Impairment of non-financial assets/intangibles

The company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when the annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Employee benefits provision

The liability for employee benefits expected to be settled more than 12 months from the reporting date are recognised and measured at the present value of the estimated future cash flows to be made in respect of all employees at the reporting date. In determining the present value of the liability, estimates of attrition rates and pay increases through promotion and inflation have been taken into account.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. This has been identified as the Chief Executive Officer.

The accounting policy for operating segments is explained in note 1.

Foreign currency translation

The financial statements are presented in Australian dollars, which is SelfWealth Limited's functional and presentation currency.

Revenue recognition

The Company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised when the performance obligation is satisfied, which can either be at a point in time or over a period of time. The accounting policies for the Company's revenue from contracts with customers are explained in note 2.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.



Note 29. Significant accounting policies (continued)

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities 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.

Financial instruments

All financial assets and financial liabilities are categorised as amortised cost.

Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and impairment. 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 Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. A lease liability is recognised at the commencement date of a lease. Each lease payment is allocated between the liability and finance cost. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period

The Company leases a property for its office under agreement of three years with option to extend for a further term of five years. On renewal, the terms of the lease is renegotiated.

Lease liabilities include the net present value of the following lease payments:



Note 29. Significant accounting policies (continued)

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- amounts expected to be payable by the lessee under residual value guarantees,
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amounts are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the Company's incremental borrowing rate.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date, less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The Company has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Intangible assets

Intangible assets acquired separately

Intangible assets acquired separately are recorded at cost less accumulated amortisation and impairment. Amortisation is charged on a straight-line basis over their estimated useful lives when available for use. The estimated useful life and amortisation method is reviewed at the end of each annual reporting period, with any changes in these accounting estimates being accounted for on a prospective basis.

Research and development

Research costs are expensed in the period in which they are incurred. Development costs are capitalised when it is probable that the project will be a success considering its commercial and technical feasibility; the Company is able to use or sell the asset; the Company has sufficient resources and intent to complete the development; and its costs can be measured reliably. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit, being their finite life of 2-3 years.

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally generated intangible assets can be recognised, development expenditure is recognised as an expense in the period as incurred.



Note 29. Significant accounting policies (continued)

Distinguishing the research and development phases of a new project and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether recognition requirements continue to be met, and whether there are any indicators that capitalised costs may be impaired. Capitalised development costs are amortised on a straight-line basis over the period of their expected benefit.

An intangible assets arising from development (or from the development phase of an internal project) is recognised if, and only if, all the following have been demonstrated:

- The technical feasibility of completing the intangible asset so it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- How the intangible asset will generate probable future economic benefits;
- The availability of adequate technical, financial and other resources to complete development and to use or sell the intangible asset; and
- The ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Impairment of non-financial assets

Non-financial assets are reviewed for impairment annually or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Nil impairment loss was recognised during the 52 weeks ended 30 June 2022.

Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 60 days of recognition.

Contract liabilities

Contract liabilities represent the Company's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Company recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Company has transferred the goods or services to the customer. Further detail is explained in note 12.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.



Note 29. Significant accounting policies (continued)

Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Share-based payments

Share-based compensation benefits are provided to employees via the 'employee share option plan' (ESOP/ESP). Information relating to these schemes is set out in note 28.

The fair value of options granted under the ESOP/ESP is recognised as a share-based payment expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the Company's share price),
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the Company over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to the share-based payment reserve.

Issued capital

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.

Loss per share

Basic loss per share

Basic loss per share is calculated by dividing the profit attributable to the ordinary equity holders of SelfWealth Limited, 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 financial year.

Diluted loss per share

Diluted loss per share adjusts 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 shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows from operating activities are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.



Note 29. Significant accounting policies (continued)

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

New Accounting Standards and Interpretations not yet mandatory or early adopted

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Company for the annual reporting period ended 30 June 2022. The Company has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

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In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 29 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the financial year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors

Mr Robert Edgley
Non-Executive Chairman

25 August 2022
Melbourne

Grant Thornton Audit Pty Ltd

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Collins Square
727 Collins Street
Melbourne VIC 3008
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Melbourne VIC 3001
T +61 3 8320 2222

Independent Auditor's Report

To the Members of SelfWealth Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of SelfWealth Limited (the Company), which comprises the statement of financial position as at 30 June 2022, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the Directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Company's financial position as at 30 June 2022 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Intangible assets (note 10)	
<p>For the year ended 30 June 2022, the Company has intangible assets of \$3,198,814.</p> <p>AASB 138 <i>Intangible Assets</i> sets out the specific requirements to be met to capitalise development costs. Intangible assets should be amortised over their useful economic lives in accordance with AASB 138.</p> <p>In addition, AASB 136 <i>Impairment of Assets</i> requires an intangible asset not yet available for use to be assessed for impairment.</p> <p>Management judgement is required to determine whether costs incurred in developing specified internally developed software projects meet the criteria for capitalisation. The residual carrying value of the capitalised software developed totalled is \$2,620,755 at 30 June 2022.</p> <p>This area is a key audit matter due to the significant management judgements including:</p> <ul style="list-style-type: none"> • whether the costs meet the development criteria per AASB 138 for capitalisation; • the assessment of the useful life of the asset of completed computer software and the timing of amortisation; and • the assessment of future economic benefits and impairment testing of the capitalised software development costs. 	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none"> • Assessing the Company's policy of capitalisation of software development costs for compliance with Australian Accounting Standards; • Holding inquiries with Project staff to understand development activities undertaken; • Testing a sample of capitalised software development costs to evaluate whether additions were appropriately supported to payroll records or third-party documentation and were directly attributable to development activities; • Evaluating the appropriateness of the amortisation period for the capitalised software development costs and the timing of amortisation; • Evaluating the appropriateness of the Company's assessment of impairment for internally generated capitalised software development costs; and • Assessing the adequacy of the financial report disclosures included in the financial statements.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Company's annual report for the year ended 30 June 2022 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of the Directors' for the financial report

The Directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 13 to 20 of the Directors' report for the year ended 30 June 2022.

In our opinion, the Remuneration Report of SelfWealth Limited, for the year ended 30 June 2022 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Grant Thornton Audit Pty Ltd
Chartered Accountants

D G Ng
Partner – Audit & Assurance

Melbourne, 25 August 2022



The shareholder information set out below was applicable as at 12 August 2022.

Distribution of equitable securities

Analysis of number of equitable security holders by size of holding:

	Number of holders	Ordinary shares % of total shares issued	Number of shares
1 to 1,000	442	0.13	307,016
1,001 to 5,000	1,606	1.82	4,307,824
5,001 to 10,000	740	2.46	5,825,249
10,001 to 100,000	1,228	16.68	39,422,508
100,001 and over	274	78.91	186,523,222
	4,290	100.00	236,385,819
Holding less than a marketable parcel	-	-	-

Equity security holders

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares Number held	% of total shares issued
LGGC PTY LTD	23,439,365	9.92
ABADI INVESTMENTS PTY LTD	17,333,333	7.33
GRAHAM NEWMAN PTY LTD	10,011,950	4.24
MR ANTHONY SCOTT COOK	9,600,000	4.06
MR ANDREW BRUCE WARD	9,549,844	4.04
FTM NOMINEES PTY LTD	5,000,000	2.12
ABADI INVESTMENTS PTY LTD	4,000,000	1.69
TW INVESTMENTS PTY LIMITED	3,627,000	1.53
WALKLEY HOLDINGS PTY LTD	3,359,256	1.42
FJP PTY LTD	3,273,505	1.38
CITICORP NOMINEES PTY LIMITED	3,054,426	1.29
MR YANG LIU	2,850,000	1.21
LMPG INVESTMENTS PTY LTD	2,564,103	1.08
RANGEWORTHY PTY LTD	2,463,250	1.04
SMHILLMAN SUPER PTY LTD	2,415,000	1.02
NATIONAL NOMINEES LIMITED	2,357,472	1.00
TW INVESTMENTS PTY LIMITED	2,160,000	0.91
ESC PTY LTD	1,370,000	0.58
MR BRENT DOUGLAS CHESTERMAN	1,266,000	0.54
MR ROBERT JOHN EDGLEY & MRS DEBORAH JUDITH EDGLEY	1,265,000	0.54
	110,959,504	46.94



Substantial holders

Substantial holders in the Company are set out below:

	Ordinary shares	
	Number held	% of total shares issued
DATT CAPITAL	23,690,805	10.02
LGGC PTY LTD	23,439,365	9.92

Voting rights

The voting rights attached to ordinary shares are set out below:

Ordinary shares

By a poll by every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Performance rights

No voting rights.

Shareholder enquiries

Shareholders with enquiries about their shareholdings should contact the share registry:

Link Market Services Limited
Level 13, Tower 4
727 Collins Street
Melbourne VIC 3000
Telephone: +61 (0)3 9067 2005

Change of address, change of name and consolidation of shareholdings

Shareholders should contact the share registry to obtain details of the procedure required for any of these changes.

Annual report mailing

Shareholders who wish to receive a hard copy of the annual report should advise the share registry or the Company in writing. Alternatively, an electronic copy of the annual report is available from www.asx.com.au. All shareholders will continue to receive all other shareholder information.

Tax file numbers

It is important that Australia resident shareholders, including children, have their tax file number or exemption details noted by the share registry.

CHES (Clearing House Electronic Subregister System)

Shareholder wishing to move to uncertified holdings under the Australian Securities Exchange CHES should contact their stockbroker.

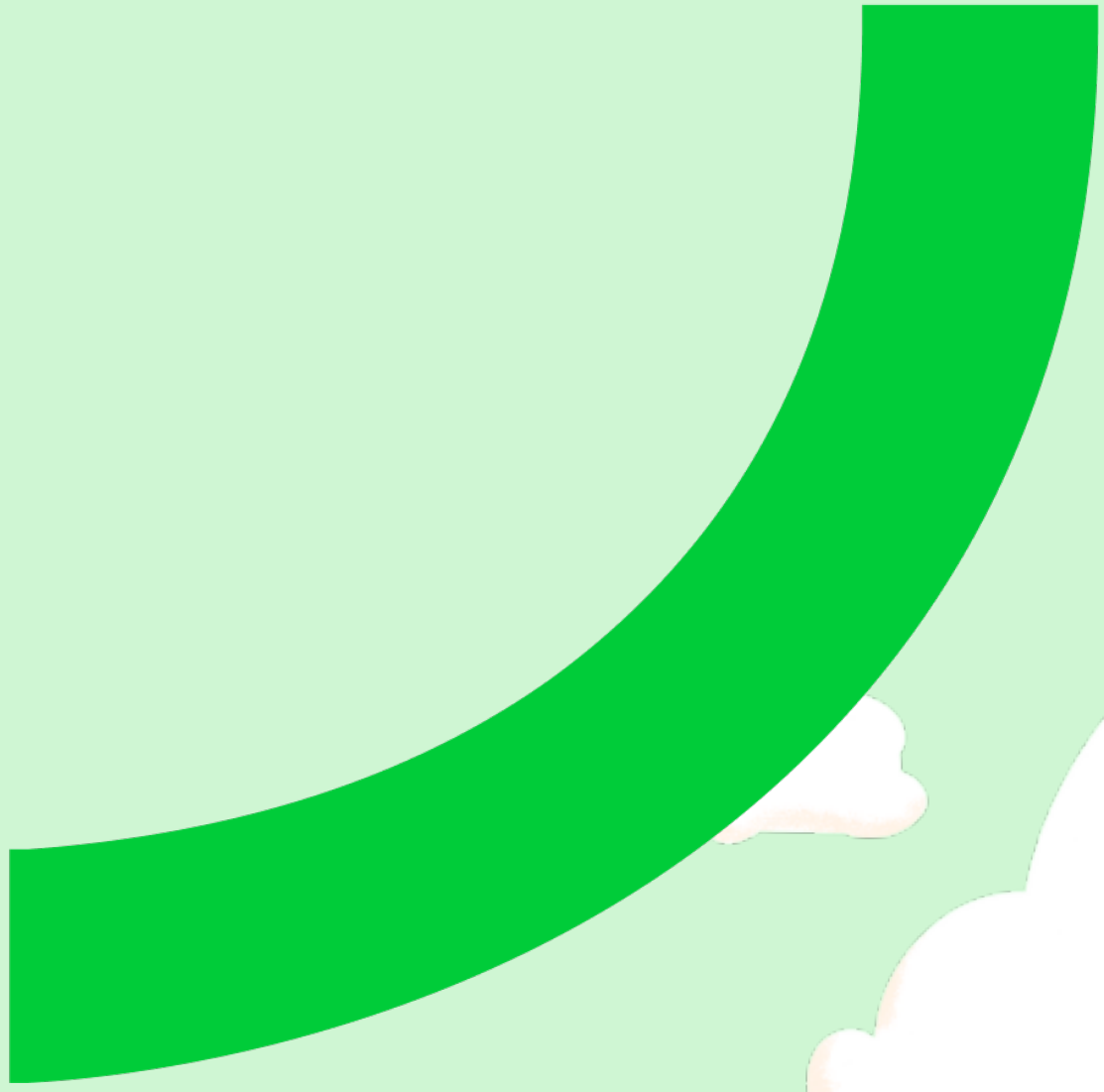
Uncertified share register

Shareholding statements are issued at the end of each month that there is a transaction that alerts the balance of your holding.

Website

Shareholders wishing to access specific information about their holding can visit the share registry's website at www.linkmarketservices.com.au

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