



ASX Announcement

29 January 2021

ASSETOWL QUARTERLY UPDATE AND APPENDIX 4C For the period ended 31 December 2020

Enterprise property management platform provider AssetOwl Limited (ASX: AO1, **Asset Owl** or **the Company**) is pleased to present its Appendix 4C – Quarterly Cash Flow Report for the period ended 31 December 2020, with an update on business progress.

The Company's new-generation photo-centric property management platform, inspector360, designed for residential real estate, provides a complete photographic record of the state of a property at the commencement of property lease period, 'entry inspection', and throughout a tenancy.

During the quarter, AssetOwl completed the development of the inspector360 "Tenant Collaboration" new feature and achieved integration of inspector360 with one of Australia's largest property management software providers, PropertyTree. These events were the catalyst for the implementation of inspector360 at two Western Australia real estate agencies, for whom AssetOwl is now hosting inspection data for a combined property management portfolio of 750 properties. Both of these customers have been successfully onboarded and are generating revenue.

Building on this new customer activity, AssetOwl has commenced trials with four additional agencies which represent a combined management portfolio of more than 2,000 properties. During the trial phase, AssetOwl provides complementary training to property managers on the use of inspector360, and uploads the property data for the agency's property management portfolio to the inspector360 platform.

Expenditure on these activities substantially comprised wages and salaries paid to employees, amounts paid to contractors and consultancy fees paid.

Development of new functionality

During the December quarter, the AssetOwl team completed development of the inspector360 'Tenant Collaboration' feature.

This achievement enables AssetOwl's WA customers to share entry inspection reports with tenants immediately when they move into a property through a paperless, legally compliant, digital process. This allows tenants to easily submit their feedback, include supporting photos and sign off on the reports.

Pipeline activity

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

Corporate

Receipt of Research and Development Tax Incentive

In November, AssetOwl received an amount of \$422,252 from the Australian Taxation Office. The amount is the Research and Development Tax Incentive which the Company was entitled to receive calculated on eligible expenditure incurred by the company for the development of inspector360 in the financial year ended 30 June 2020.

Results of AGM

At AssetOwl's 2020 Annual General Meeting on 29 January 2021, shareholders voted on the following resolutions:

- Resolution 1: Adoption of Remuneration Report
- Resolution 2: Re-election of Mr Geoffrey Baldwin as a Director
- Resolution 3: Ratification of prior issue of Shares – Placement Participants
- Resolution 4: Approval to issue Shares – Sequoia Corporate Finance Pty Ltd
- Resolution 5: Re-approval of the Company's Employee Incentive Plan
- Resolutions 6(a), 6(b) and 6(c): Issue of Options under Employee Incentive Plan to Directors
- Resolution 7: Amendment to Constitution
- Resolution 8: Approval of Additional Placement Facility.

All resolutions were passed, with voting carried out via a poll.

Payments to related parties

The description of payments to related parties of the entity and their associates set out in section 6.1 of the Appendix 4C are:

- The Company paid fees totalling \$30,000 to its three directors for their service during the quarter.
- The Company paid \$30,000 to Tribis Pty Ltd under an agreement for the provision of administration and management support services. The Company's Chairman, Mr Simon Trevisan is the Managing Director of Tribis Pty Ltd, AssetOwl's largest shareholder.
- The Company paid \$12,000 fees to Geoff Baldwin.com Realty Group Pty Ltd, for consultancy services provided personally by AssetOwl director Mr Geoff Baldwin. The Company engaged Mr Baldwin under a personal services agreement to assist with the commercialisation of AssetOwl's inspector360 platform.

Authority

This announcement has been authorised for release by Simon Trevisan, Chairman of AssetOwl Limited.

*****ENDS*****

For further information, shareholders and media please contact:

Sean Meakin

Company Secretary

enquiry@assetowl.com

+61 8 9424 9320

Tim Dohrmann

Investor and Media Enquiries

tim@nwrcommunications.com.au

+61 468 420 846

About AssetOwl Limited (ASX: AO1):

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

inspector360 is the revolutionary next generation of Asset Owl's photo-centric property management platform, designed to benefit property owners, tenants, agents and managers. It builds on Asset Owl's existing residential inspection software, InspectorAsset, which uses virtual reality technology to create an internal view of a property to assist all stakeholders before, during and at the conclusion of a tenancy.

inspector360 incorporates 360-degree imagery, video, voice-to-text and hot-spot mapping of floor plans to accurately document property condition reports, significantly boosting the efficiency of the inspection process. The inspector360 app provides tenants, property managers and landlords with an exact record of the condition of residential properties during a tenancy and when tenants move in and out, using AssetOwl's proprietary virtual tour technology to create an internal view of a property.

AssetOwl Ltd ACN: 122 727 342

Level 14, 225 St George's Terrace, Perth, Western Australia 6000

Telephone: (61) (8) 9424 9320 Facsimile: (61) (8) 9321 5932

<https://assetowl.com/>

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

ASSETOWL LIMITED

ABN

12 122 727 342

Quarter ended ("current quarter")

31 Dec 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	15	27
1.2 Payments for		
(a) research and development	(261)	(474)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(2)	(5)
(d) leased assets	-	-
(e) staff costs	(77)	(161)
(f) administration and corporate costs	(141)	(263)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	447	526
1.8 Other (provide details if material)	28	28
1.9 Net cash from / (used in) operating activities	8	(324)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	10
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(2)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	8

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	642	966
4.2	Net cash from / (used in) operating activities (item 1.9 above)	8	(324)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	8	8
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	650	650

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	10	41
5.2	Call deposits	640	601
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	650	642

6. Payments to related parties of the entity and their associates

6.1 Aggregate amount of payments to related parties and their associates included in item 1

6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

72

-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

- The Company paid fees totalling \$30,000 to its three directors for their service during the quarter.
- The Company paid \$30,000 to Tribis Pty Ltd under an agreement for the provision of administration and management support services. The Company's Chairman, Mr Simon Trevisan is the Managing Director of Tribis Pty Ltd, AssetOwl's largest shareholder.
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7. Financing facilities

Note: the term "facility" includes all forms of financing arrangements available to the entity.

Add notes as necessary for an understanding of the sources of finance available to the entity.

7.1 Loan facilities

7.2 Credit standby arrangements

7.3 Other (please specify)

7.4 **Total financing facilities**

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

7.5 **Unused financing facilities available at quarter end**

0

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

N/A

8. Estimated cash available for future operating activities

\$A'000

8.1 Net cash from / (used in) operating activities (Item 1.9)

(439)*

*excluding government grants and tax incentives.

8.2 Cash and cash equivalents at quarter end (Item 4.6)

650

8.3 Unused finance facilities available at quarter end (Item 7.5)

-

8.4 Total available funding (Item 8.2 + Item 8.3)

650

8.5 **Estimated quarters of funding available (Item 8.4 divided by Item 8.1)**

1.48

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

- Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer:

No. It is expected that revenue will increase, reducing net operating cash deficiency

- Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

The Company continues to assess its ongoing requirements and anticipates it will be able to raise additional capital if required.

- Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Yes. Revenue increase is expected to decrease operating cash deficiencies.

Compliance statement

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

Date:29 January 2021.....

Authorised by: ...Simon Trevisan - Chairman
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.