



ASX Announcement

30 April 2021

ASSETOWL QUARTERLY UPDATE AND APPENDIX 4C For the period ended 31 March 2021

Highlights

- **Attree Real Estate licensed as an inspector360 customer, managing more than 650 properties**
- **New functionality developed, with the release of the Owner's Portal feature adding value for landlords and real estate principals**
- **Strongly-supported capital raising of \$1.5 million announced in April 2021**

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 March 2021.

The Company's new-generation photo-centric property management platform, inspector360, is a SaaS tool designed for residential real estate and provides a complete photographic record of the state of a property throughout a tenancy.

During the quarter the Company has received ongoing positive feedback from its Esperance based agency customer, Thorp Realty, regarding the significant productivity gains achieved through the use of inspector360. During the quarter, Thorp took approximately 1,400 panoramic photos during routine and entry inspections, with a further 600 taken thus far in April. This highlights the value of a feature which is unique to inspector360, **and has helped deliver Thorp time savings of up to 75% just from entry inspections** compared to their previous inspection tool.

In April, AssetOwl also licensed Attree Real Estate under inspector360's standard SaaS pricing model.

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Attree will utilise inspector360 for entry, exit and routine inspections as well as the new Owner's Portal (detailed below). Inspection records from all of Attree's properties are now hosted by AssetOwl, and Attree's inspector360 account has been integrated with their PropertyTree property trust platform. Recurring revenue under this and other licences will be determined by the number of properties under Attree's management utilising the inspector360 platform (currently approximately 650 properties).

The onboarding of AssetOwl clients involves the migration of the client's library of properties onto the inspector360 database, and the training of client personnel in the tool's use. AssetOwl is now hosting inspection data for a combined management portfolio of approximately 1,100 residential properties, and has a pipeline of agencies at various stages of the sale process.

Development of new functionality

During the March quarter, the AssetOwl team completed development of a new product feature addressing the needs of landlords, the Owner's Portal. A major challenge for the industry has been that landlords get little opportunity to monitor the condition of their investment once a property is tenanted. The inability of landlords to access their tenanted properties can cause conflict and undermine the relationship between property owners and their managing agents.

The Company's newly-released Owner's Portal addresses this industry pain point. The portal allows real estate agents to provide property owners with an uploaded visual view of the inside of their property, through up-to-date panoramic virtual tours created during routine property inspections.

The Owner's Portal lets property owners monitor the physical state of their investment, providing confidence that their property is being well managed. The Portal also supports the business development efforts of real estate principals; by providing positive differentiation from competitors who are not inspector360 customers.

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

Corporate

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 \$33,000 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 \$54,000 to its CEO Mr Geoff Goldsmith during the quarter. Mr Goldsmith was appointed as the Company's CEO on 8 April 2021.

Subsequent to the end of the quarter

Appointment of CEO and Changes to the Company Board

On 8 April 2021, the Company was pleased to announce the appointment of Mr Geoff Goldsmith as its Chief Executive Officer. A results-orientated senior strategy and commercial executive with proven ability to lead a diverse range of organisation, Mr Goldsmith brings extensive leadership experience that spans over 25 years in large ASX-listed and private companies as well as the public sector (Australian Defence Force), in Australia and internationally.

Mr Andrew Lane retired after serving as a non-executive director of the Company since the acquisition of AssetOwl Technologies Pty Ltd in December 2016.

Mr Giuseppe Di Franco was appointed as an executive director of the Company. Giuseppe Di Franco was a founding shareholder and director of AssetOwl Technologies and the Company's Chief Technology Officer. He is responsible for the development of AssetOwl's property inspection management platform.

Share Placement to raise \$1.5 million

Subsequent to the end of the quarter the Company announced a strongly oversubscribed equity capital raising of \$1.5 million.

The capital raising is to be completed in two tranches. The first tranche, has been completed utilising the Company's Listing Rule 7.1 capacity.

The second tranche is subject to shareholder approval, to be sought at a General Meeting of the Company, anticipated to be held in late May 2021.

Authority

For the purpose of ASX Listing Rule 15.5, this announcement has been authorised for release by Simon Trevisan, Chairman of AssetOwl Limited.

ENDS

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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.

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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 March 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	17	44
1.2 Payments for		
(a) research and development	(215)	(693)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(1)	(6)
(d) leased assets	-	-
(e) staff costs	(114)	(206)
(f) administration and corporate costs	(188)	(517)
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	-	526
1.8 Other (provide details if material)	-	28
1.9 Net cash from / (used in) operating activities	(502)	(826)
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	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(f) other non-current assets	-	-
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	650	966
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(502)	(826)
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 (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	8
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	148	148

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	33	10
5.2	Call deposits	115	640
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)	148	650

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

- | | | Current quarter
\$A'000 |
|-----|---|----------------------------|
| 6.1 | Aggregate amount of payments to related parties and their associates included in item 1 | 117 |
| 6.2 | Aggregate amount of payments to related parties and their associates included in item 2 | - |

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 \$33,000 to its three directors for their service during the quarter. This amount is included within administration and corporate costs.
- 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. This amount is included within administration and corporate costs.
- The Company paid \$54,000 to its CEO Mr Geoff Goldsmith during the quarter. Mr Goldsmith was appointed as the Company's CEO on 8 April 2021. This amount is included within staff costs.

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

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.

	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities		
7.2 Credit standby arrangements		
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-

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) *excluding government grants and tax incentives.	(502)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	148
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	148
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	0.29

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

1. 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:

Yes, the Company expects additional revenue will be generated as the inspector360 roll out continues. As the Company expands there will be an increase in operating expenses, which in the short term may offset cash receipts generated from customers.

2. 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:

On 21 April 2021 the Company announced a share placement to Sophisticated and Professional Investors to raise \$1.5M

\$190,000 has been raised under the Company's available Listing Rule 7.1 placement capacity. Raising of the remaining \$1,310,000 is subject to shareholder approval. The company has no reason to suggest that it will not be successful in completing this raising.

3. 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, the Company has commenced rolling out its inspector360 photo-centric property inspection management platform. Funds raised from the capital raising at 8.6(2) will be used to scale the deployment capability of inspector360, fund marketing campaigns as the Company enters new states, and provide working capital as AssetOwl increases its customer base.

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:30 April 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.