



ASX Announcement

27 April 2020

ASSETOWL QUARTERLY UPDATE AND APPENDIX 4C For the Period ended 31 March 2020

Foundational quarter achieved as AssetOwl embarks on commercial rollout

Highlights:

- **Completion of commercial trial with RE/MAX WA**
- **Commercial license with a leading property inspection service provider, PCR and Residential Inspection Services.**
- **PropertyMe integration completed, providing AssetOwl with access to Australia's premier real estate agencies**
- **Long-term strategic partnership secured with leading property management software, Property Tree**
- **AssetOwl secures exclusive partnership with PPM Group, marketing inspector360 to a network of more than 9,000 real estate agencies**
- **AssetOwl's response to COVID-19 lockdown**

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

Completion of commercial trial with RE/MAX WA

In January, the Company successfully completed its commercial trial with AssetOwl's cornerstone customer RE/MAX WA. Part of the NYSE-listed RE/MAX Holdings (NYSE: RMAX), RE/MAX WA is a residential and commercial real estate agency and property manager, part of a network of more than 120,000 agents active in over 100 countries and territories.

The success of this trial was a necessary condition for the roll-out of inspector360 to RE/MAX WA, and for the promotion of inspector360 to RE/MAX's offices nationally.

RE/MAX WA has applied the software to a selection of its rent roll and will work with franchisees to expand the use of inspector360 use across the group.

Commercial license agreement with leading property inspection service provider.

Following the completion of an extensive development and trial period, in February 2020 AssetOwl signed a commercial license agreement with leading property inspection service provider, PCR and Routine Inspection Services ('PCRRIS').

The license, for an initial 18-month period from 21 February 2020 to utilise inspector360 to conduct initial entry, routine and exit inspections for PCRRIS' clients who do not currently utilise property inspector software. PCRRIS will also be licenced as a reseller to allow it to sublicense inspector360 to other clients so that they can upgrade from other residential property management software products to inspector360.

Since being founded in 2005, PCRRIS has grown into a successful property inspection provider, now servicing over one hundred real estate agencies with an estimated 10,000 properties under management and delivering an average of 65 property condition reports and 35 routine inspections per week.

AssetOwl will receive a fee per report generated using inspector360. The fees charged are set depending on the nature of the report and also the level of functionality accessible.

AssetOwl to integrate with Leading Real Estate Software Providers

Technical integration of inspector360 with trust accounting and communication platform, PropertyMe, was completed during the quarter. In addition, the Company entered into a strategic partnership with Property Tree, one of Australia's leading cloud-based property management software solutions, designed to make every part of the property management process simpler and faster.

Under the partnership with Property Tree and integration with PropertyMe, AssetOwl's inspector360 will be accessible and will be promoted to more than 6,000 real estate agencies, estimated to manage more than half a million properties, across Australia and New Zealand through their existing property management and communications platform service provider.

The integration of inspector360 with the PropertyMe property management platform allows real estate agencies and property managers to access information on their properties under management to complete property inspections.

AssetOwl also entered a five-year strategic partnership agreement with Rockend Technology Pty Ltd ('Rockend'), an Australian subsidiary of MRI Software, headquartered in the United States. Rockend Pty Ltd is a leading provider of real estate management software, whose product suite includes Property Tree.

Like has been achieved with PropertyMe, the integration of inspector360 with Property Tree will be a significant step towards enabling Property Tree customers to use the inspector360 app to access property information to complete inspections for their properties under management.

Partnership with PPM Group

In April, AssetOwl secured an exclusive partnership with PPM Group, a leading Australian provider of property management solutions. The PPM Group was founded in 2000 by Managing Director Debbie Palmer, a leading property management influencer, in response to an opportunity to meet the need for property management procedural systems, learning resource tools, due diligence and rent roll sales. This inspired the development of a platform, the PPMsystem®, that can be implemented into all real estate agencies, small or large, established or start-up.

PPM maintains one of Australia's largest property management databases, which has regular contact with clients, members and subscribers. The database includes more than 9,000 individual real estate agencies, more than 25,000 individual team members, and a rapidly growing social media network with reach to more than 23,000 property managers and business owners.

AssetOwl secured a 12-month marketing partnership which will see the Company and its real estate inspection products promoted directly to PPM Group's clients and through PPM's social media network.

PPM will market AssetOwl and inspector360 during 2020 across advertorials, social media posts, live webinars and training broadcasts, and branding/naming rights associated with PPM's national conference, scheduled for 18-19 July 2020 at the QT Hotel in Gold Coast, QLD.

Response to COVID-19

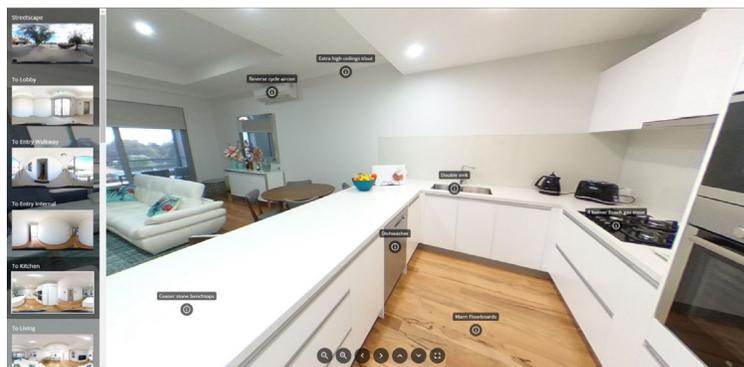
Current circumstances have eroded the real estate industry's resistance to change, as agents, managers and landlords now see an urgent need to re-engineer processes to allow remote inspections, leveraging the rich photographic records that [inspector360](#) provides.

AssetOwl has fielded an unprecedented level of inquiries regarding its services amid COVID-19 social distancing requirements, AssetOwl has developed a virtual tour add-on to [inspector360](#) for real estate sales.

AssetOwl's technology development team worked quickly to complement [inspector360](#) by developing its 'virtual tour for sales' product for the residential sales industry. This uses the same process as the entry inspections, but the app creates a virtual tour designed to highlight a property for sale which can be uploaded to the real estate agents' online sales platforms.

AssetOwl launched the function this month and has achieved first commercial use through RE/MAX WA, which has begun using the tool to market its properties for sale and rent. RE/MAX WA now plans to introduce the AssetOwl Virtual Tour app to all of its WA offices and offer it to offices nationally.

The first of these virtual tours have been published on all major real estate websites including realestate.com.au, Domain and REIWA. [Click here](#) for a property being advertised for sale with the aid of AssetOwl's 'virtual tour for sales'.



Screenshot from realestate.com.au of [inspector360](#) Virtual Tour for Sales of a property listed by RE/MAX WA

inspector360 Intellectual Property Protection

In January, the Company filed a provisional patent application with the Australian Patent Office. The issue of a patent will protect the Intellectual Property which AssetOwl has developed, being the process and technology for capturing evidence in a novel way. The focus of the patent is the feature known as the 'Capture Page' used by inspector360.

The Capture Page allows property managers to capture imagery and spoken evidence (which is transcribed into the written report) at the same time against a particular area of the property in a streamlined manner, on one piece of the user interface

Launch of inspector360 Website

The Company has updated its website to highlight its inspector360 product and app functions which the Company is imminently developing. The website allows Real Estate agencies and Property Managers to contact the Company and express interest in the product, with a view to using inspector360. [Click here](#) to view the website.

CORPORATE

The Company's largest shareholder, Tribis Pty Ltd, a related party of the Company's Chairman, Mr Simon Trevisan, has continued to provide financial support to Company.

On 22 April 2020, the Company announced a detailed investor presentation to the ASX, which is now available on the Company's website.

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):

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

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

inspector360 incorporates 360-degree imagery, video, voice-to-text and hot-spot mapping of floor plans to accurately document property condition reports, significantly boosting the efficiency of the inspection process. 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.

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 2020

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	3	11
1.2 Payments for		
(a) research and development	(173)	(785)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(1)	(1)
(d) leased assets	(3)	(21)
(e) staff costs	(64)	(209)
(f) administration and corporate costs	(42)	(185)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	2
1.5 Interest and other costs of finance paid	(1)	(3)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	398
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(281)	(793)
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 (9 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	(5)
	(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	-	(5)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
3.5	Proceeds from borrowings	99	99
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	99	99

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	201	718
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(281)	(793)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(5)

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

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)	99	99
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	19	19

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	19	2
5.2	Call deposits	-	199
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)	19	201

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**

56

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 \$22,000 director fees during the period.

The Company paid \$10,000 to Tribis Pty Ltd for administration and management support services, a related party to one of the Company's directors, Mr Simon Trevisan. Mr Trevisan is the Managing Director of Tribis Pty Ltd.

The Company paid \$24,000 fees to RE/MAX WA, a related party one of the Company's directors, Mr Geoff Baldwin. Mr Baldwin is RE/MAX WA's Managing Director. The Company has engaged Mr Baldwin under a personal services agreement for to assist with the commercialisation of AssetOwl's inspector360 platform during the 6 month period from 1 January 2020 to 30 June 2020.

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)	99	99
7.4 Total financing facilities	99	99

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.

The funds lent to the Company in the quarter have been provided Tribis Pty Ltd, a company related to director Mr Simon Trevisan. Tribis has agreed to provide interest free financial support to the Company during the next 3 months while it secures additional funding to meet its ongoing requirements.

After the end of the quarter, Tribis has provided further funds of \$28,500 to meet ongoing expenditure requirements.

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	281
8.2 Cash and cash equivalents at quarter end (Item 4.6)	19
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	19
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	<2 weeks

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:

For the quarter ending 30 June 2020, the company expects to the current level of operating cash flows will be maintained with some growth as the Company proceeds with the commercialisation of its inspector360 platform.

As noted on the Company's investor presentation of 22 April 2020, while the Company expects to sign up new customers for its inspector360 platform during the quarter, revenue from new customers will not be received during the first 3 months.

- 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:

Yes. In the immediate term, the Company continues to be supported by its largest shareholder, Tribis Pty Ltd. In addition, the Company is pursuing a capital management program with initiatives to secure additional funding for its ongoing requirements, which it anticipates will deliver adequate funding to meet the Company's ongoing requirements.

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. As noted at 2, the company is operating with the financial support of its largest shareholder, Tribis Pty Ltd, and is currently pursuing a number of capital management initiatives which it expects will deliver the necessary funding for its ongoing activities.

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:27 April 2020.....

Authorised by: ...The Board of Directors
(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.