

ASX RELEASE

26 February 2024

Acusensus Appendix 4D and Half-Year Financial Report for 1H FY24

In accordance with ASX Listing Rule 4.2A, attached are the Appendix 4D and the Half-Year Financial Report for the six months ending 31 December 2023 (1H FY24) for Acusensus Limited (ASX:ACE) (Acusensus).

The following documents will be provided separately:

- Acusensus 1H FY24 Results Release; and
- Acusensus 1H FY24 Investor Presentation.

END

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This announcement is authorised by the Board of Acusensus Limited.

About Acusensus

Acusensus is a technology company that was founded in 2018 with a mission to design and develop artificial intelligence enabled road safety solutions. Collaborating with governments and commercial stakeholders to tackle distracted driving globally is Acusensus' first priority.

Acusensus has pioneered intelligent solutions that provide anywhere, anytime digital evidence that can be used in conjunction with law enforcement to drive behavioural change and improve road safety. Acusensus technology is used to detect and provide prosecutable evidence of distracted driving (mobile phone use), seatbelt compliance, speeding, railway crossing compliance and the monitoring of vehicles of interest.

Acusensus listed on the Australian Securities Exchange in January 2023. Acusensus is headquartered in Melbourne, Australia, with offices also in Sydney, Brisbane, London (UK) and Las Vegas (United States).

Acusensus Limited
Appendix 4D
Half-year report

1. Company details

Name of entity:	Acusensus Limited
ABN:	17 625 231 941
Reporting period:	For the half-year ended 31 December 2023
Previous period:	For the half-year ended 31 December 2022

2. Results for announcement to the market

				31 Dec 2023	31 Dec 2022
				\$	\$
Revenues from ordinary activities	up	24.7%	to	24,735,744	19,837,768
Loss from ordinary activities after tax attributable to the owners of Acusensus Limited	down	8.1%	to	(241,430)	(262,802)
Loss for the half-year attributable to the owners of Acusensus Limited	down	8.1%	to	(241,430)	(262,802)

Dividends

There were no dividends paid, recommended or declared for the half-year ended 31 December 2023 nor for the comparative half-year ended 31 December 2022.

Comments

The consolidated entity's revenue for the half-year ended 31 December 2023 totaled \$24,735,744, an increase of 24.7% in comparison to the half-year ended 31 December 2022, where revenue totaled \$19,837,768. The increase in revenue is largely due to:

- Australian Capital Territory mobile phone detection camera contract and Queensland trailer-based transportable speed camera contract;
- variations and expansion of contracts with some existing customers; and
- growth from international markets, namely the United Kingdom (UK) and United States (US).

The consolidated entity generated an operating loss after income tax expense of \$241,430 (31 December 2022: operating loss after income tax expense of \$262,802). Despite revenue growth, the operating loss after income tax expense remains relatively in line with prior year due to higher operating expenses as the business invested for future growth.

3. Net tangible assets

	31 Dec 2023	31 Dec 2022
	\$	\$
Net tangible assets per ordinary security	<u>0.27</u>	<u>0.16</u>

4. Control gained or lost over entities

Not applicable.

5. Dividends

There were no dividends paid, recommended or declared for the half-year ended 31 December 2023 nor for the comparative half-year ended 31 December 2022.

6. Dividend reinvestment plan

Not applicable.

7. Details of associates and joint venture entities

Not applicable.

8. Foreign entities

The Company's foreign entities include Acusensus, Inc. (incorporated in the United States) and Acusensus UK Limited (incorporated in the United Kingdom). The Company's foreign entities' financial results are compiled in accordance with International Financial Reporting Standards (IFRS).

9. Audit qualification or review

Details of audit/review dispute or qualification (if any):


The financial statements were subject to a review by the auditors and the review report is attached as part of the half-year financial statements.

10. Attachments

Details of attachments (if any):

The half-year financial statements of Acusensus Limited for the half-year ended 31 December 2023 is attached.

11. Signed

Signed  _____

Date: 26 February 2024

Alexander Jannink
Director
Melbourne, Australia



Acusensus Limited

ACN 625 231 941

Half-Year Financial Statements – 31 December 2023



The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Acusensus Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

Directors

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

Alexander Jannink
Ravin Mirchandani
Susan Klose
Michael Giuffrida (appointed 9 October 2023)

Principal activities

During the financial half-year the principal activities of the consolidated entity consisted of the provision of world-leading technology to detect and capture prosecutable evidence of drivers' illegal mobile phone use, seatbelt use, and speed detection.

There has been no significant changes in the nature of these activities during the half-year.

Review of operations

The consolidated entity's revenue for the half-year ended 31 December 2023 totaled \$24,735,744, an increase of 24.7% in comparison to the half-year ended 31 December 2022, where revenue totaled \$19,837,768. The increase in revenue is largely due to:

- Australian Capital Territory mobile phone detection camera contract and Queensland trailer-based transportable speed camera contract;
- variations and expansion of contracts with some existing customers; and
- growth from international markets, namely the United Kingdom (UK) and United States (US).

The consolidated entity generated an operating loss after income tax expense of \$241,430 (31 December 2022: operating loss after income tax expense of \$262,802). Despite revenue growth, the operating loss after income tax expense remains relatively in line with prior year due to higher operating expenses as the business invested for future growth.

The strength and demand for the Company's products in Australia has continued and is evidenced by the signing of new contracts, as well as, extension and expansion of existing contracts. Further to the aforementioned contracts:

- On 26 July 2023, the Company announced Acusensus Australia Pty Ltd, a wholly owned subsidiary of Acusensus Limited, entered into a contract with the Queensland Department of Transport and Main Roads for the provision of phone awareness monitoring and tailgating monitoring services to support public awareness road safety initiatives. In an Australian first and with the aim of improving driver behaviour, the technology will be deployed in pilots to monitor and detect drivers who are using a mobile phone whilst driving, before providing an immediate signage prompt to alert those drivers of this unsafe behaviour. Monitoring and similar signage prompts will also be given to drivers who are tailgating other motorists. The services outlined in the agreement are expected to be completed before October 2024. The estimated total contract value over the term of the agreement is in excess of \$0.6 million (excluding GST).
- On 15 August 2023, the Company announced Acusensus Australia Pty Ltd, a wholly owned subsidiary of Acusensus Limited, entered into a contract variation with the Queensland Department of Transport and Main Roads to increase the scope of the contract. Additional transportable systems for mobile phone and seatbelt detection services will be provided over a five-year term. The estimated contract variation value over the term of the agreement is \$9.3 million (excluding GST).
- On 29 November 2023, the Company announced Acusensus Australia Pty Ltd, a wholly owned subsidiary of Acusensus Limited, extended the existing mobile phone detection camera agreement with Transport for New South Wales for an additional year of services until 30 November 2024. The contract extension value is expected to total \$4.1 million (excluding GST).

In addition, Acusensus continues to build interest and awareness in the Company's solutions to enforce distracted driving and speed internationally.



Review of operations (continued)

In the US, the Company has signed a short-term contract with the Arkansas Department for real-time speed enforcement in work zones. It is also continuing negotiations with three other clients who have been successful in applying for federal grant funding for the use of distracted driving detection solutions.

In the UK, the Company is in discussions with a number of road and police authorities for pilots and has an ongoing relationship with Devon & Cornwall Police, following on from a successful pilot in the financial half-year.

The Company continues to make progress with new product development initiatives. The Acusensus Guardian roadworker protection product commenced real-world testing, while the Company's impaired driving project is expected to commence real-world testing in the coming months.

The Company successfully enacted a re-organisation to best position itself for scale and growth. The new structure in place creates a foundation to increase sales activity and to grow services sustainably across multiple contracts. The Company is investing in people and processes ahead of FY25.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial half-year.

Matters subsequent to the end of the financial half-year

On 8 January 2024, the Company announced Acusensus Australia Pty Ltd, a wholly owned subsidiary of Acusensus Limited, entered into a contract with the South Australia Government for the provision of fixed mobile phone detection camera. The agreement is for a five-year term, with an option for an additional one year. The estimated total contract value over the initial five-year term of the agreement is \$5 million (excluding GST).

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Rounding of amounts

The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

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 and forms part of the Directors' report.

This report is made in accordance with a resolution of Directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'AJ'.

Alexander Jannink
Director

26 February 2024
Melbourne, Australia

DECLARATION OF INDEPENDENCE BY SALIM BISKRI TO THE DIRECTORS OF ACUSENSUS LIMITED

As lead auditor for the review of Acusensus Limited for the half-year ended 31 December 2023, I declare that, to the best of my knowledge and belief, there have been:

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

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



Salim Biskri
Director

BDO Audit Pty Ltd

Melbourne, 26 February 2024



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General information

The financial statements cover Acusensus Limited as a consolidated entity consisting of Acusensus Limited and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is Acusensus Limited's functional and presentation currency.

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

Level 6, 31 Queen Street
Melbourne, VIC 3000

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

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 26 February 2024. The Directors have the power to amend and reissue the financial statements.

Acusensus Limited
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2023



		Consolidated	
	Note	31 Dec 2023	31 Dec 2022
		\$	\$
Revenue	2	24,735,744	19,837,768
Other income	3	855,926	246,216
Expenses			
Cost of services		(13,600,682)	(11,401,055)
Employee benefits	4	(5,295,318)	(3,871,546)
Depreciation and amortisation	4	(2,987,984)	(2,047,243)
Administration		(2,425,271)	(1,364,245)
IPO transaction costs	4	-	(674,639)
Contracting		(877,930)	(589,695)
Impairment		(425,360)	(220,298)
Marketing		(75,576)	(137,468)
Finance costs	4	(37,575)	(40,597)
Loss before income tax		(134,026)	(262,802)
Income tax (expense)/benefit		(107,404)	-
Loss after income tax for the half-year attributable to the owners of Acusensus Limited		(241,430)	(262,802)
Other comprehensive income/(loss) for the half-year, net of tax:			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(84,340)	20,661
Total comprehensive loss for the half-year attributable to the owners of Acusensus Limited		(325,770)	(242,141)
		Cents	Cents
Basic loss per share*	14	0.00	0.00
Diluted loss per share*	14	0.00	0.00

*Basic and diluted loss per share have been rounded to two decimal places.

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

Acusensus Limited
Consolidated statement of financial position
As at 31 December 2023



		Consolidated	
	Note	31 Dec 2023	30 Jun 2023
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	5	9,149,395	12,799,109
Trade and other receivables	6	10,402,215	8,592,832
Contract assets		510,017	813,824
Inventories		1,771,095	1,374,423
Other current assets	7	12,000,000	12,000,000
Total current assets		33,832,722	35,580,188
Non-current assets			
Property, plant and equipment	8	9,345,096	9,189,666
Right-of-use assets	9	1,554,823	2,050,071
Intangibles	10	2,070,299	1,517,476
Other assets		126,495	127,232
Total non-current assets		13,096,713	12,884,445
Total assets		46,929,435	48,464,633
Liabilities			
Current liabilities			
Trade and other payables	11	5,552,975	5,831,095
Contract liabilities		1,452,219	3,019,265
Lease liabilities		1,057,369	1,487,895
Provisions		774,148	744,487
Income tax payable		172,051	-
Total current liabilities		9,008,762	11,082,742
Non-current liabilities			
Contract liabilities		173,347	89,461
Lease liabilities		624,809	699,844
Provisions		536,699	412,394
Net deferred tax liability		191,696	256,343
Total non-current liabilities		1,526,551	1,458,042
Total liabilities		10,535,313	12,540,784
Net assets		36,394,122	35,923,849
Equity			
Issued capital	12	37,570,540	37,455,540
Reserves	13	2,612,937	2,016,234
Accumulated losses		(3,789,355)	(3,547,925)
Total equity		36,394,122	35,923,849

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

Acusensus Limited
Consolidated statement of changes in equity
For the half-year ended 31 December 2023



Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2022	18,831,559	1,535,379	(3,603,298)	16,763,640
Loss after income tax for the half-year	-	-	(262,802)	(262,802)
Other comprehensive income for the half-year, net of tax	-	20,661	-	20,661
Total comprehensive loss for the half-year	-	20,661	(262,802)	(242,141)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	1,580	-	-	1,580
Share-based payments	-	198,168	-	198,168
Balance at 31 December 2022	18,833,139	1,754,208	(3,866,100)	16,721,247
Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	37,455,540	2,016,234	(3,547,925)	35,923,849
Loss after income tax for the half-year	-	-	(241,430)	(241,430)
Other comprehensive loss for the half-year, net of tax	-	(84,340)	-	(84,340)
Total comprehensive loss for the half-year	-	(84,340)	(241,430)	(325,770)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	115,000	-	-	115,000
Share-based payments	-	681,043	-	681,043
Balance at 31 December 2023	37,570,540	2,612,937	(3,789,355)	36,394,122

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

Acusensus Limited
Consolidated statement of cash flows
For the half-year ended 31 December 2023



	Note	Consolidated 31 Dec 2023 \$	31 Dec 2022 \$
Cash flows from operating activities			
Receipts from customers		22,446,138	18,043,512
Government grants and stimulus received		-	36,600
Other income		11,211	207,691
Payments to suppliers and employees		(22,368,022)	(19,244,905)
Interest received		399,784	1,924
Interest paid		(37,575)	(40,597)
Net cash from/(used in) operating activities	15	<u>451,536</u>	<u>(995,775)</u>
Cash flows from investing activities			
Payments for property, plant and equipment		(2,360,325)	(1,114,205)
Payments for intangibles		(963,480)	(523,544)
Net cash used in investing activities		<u>(3,323,805)</u>	<u>(1,637,749)</u>
Cash flows from financing activities			
Proceeds from issue of shares		115,000	1,580
Capitalised IPO transaction costs		-	(1,379,180)
Repayment of lease liabilities		(798,219)	(577,561)
Net cash used in financing activities		<u>(683,219)</u>	<u>(1,955,161)</u>
Net decrease in cash and cash equivalents		(3,555,488)	(4,588,685)
Cash and cash equivalents at the beginning of the financial half-year		12,799,109	8,606,528
Effects of exchange rate changes on cash and cash equivalents		(94,226)	(23,905)
Cash and cash equivalents (inclusive of restricted balances) at the end of the financial half-year	5	<u><u>9,149,395</u></u>	<u><u>3,993,938</u></u>

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



Note 1. Significant accounting policies

These general purpose financial statements for the half-year reporting period ended 31 December 2023 have been prepared in accordance with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001, as appropriate for for-profit oriented entities.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding half-year reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The consolidated entity 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.

Operating segments

Identification of reportable operating segments

These operating segments are identified based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and in determining the allocation of resources. Similar operating segments can be aggregated to form one reportable segment. Accordingly, the consolidated entity only operates as one segment.

Accounting policy for operating segments

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Board of Directors. The Directors are responsible for the allocation of resources to operating segments and assessing their performance.

Going concern

The consolidated entity's financial statements have been prepared on the going concern basis of accounting, which assumes the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.



Note 2. Revenue

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
<i>Revenue from contracts with customers</i>		
Rendering of services	24,735,088	19,811,943
Sale of goods	656	25,825
	<u>24,735,744</u>	<u>19,837,768</u>
Revenue	<u>24,735,744</u>	<u>19,837,768</u>

Note 3. Other income

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
Interest revenue	426,123	1,925
Insurance proceeds	285,216	207,691
Government grants	-	36,600
Other income	144,587	-
	<u>855,926</u>	<u>246,216</u>
Other income	<u>855,926</u>	<u>246,216</u>

Insurance proceeds is compensation associated with the impaired property, plant and equipment of \$425,824 (31 December 2022: \$220,298).



Note 4. Expenses

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
Profit/(loss) before income tax includes the following specific expenses:		
<i>Employee benefits</i>		
Salaries and wages	3,429,608	2,762,772
Share based payments expense	681,043	198,168
Defined contribution superannuation expense	687,588	513,912
Other	497,079	396,694
	<u>5,295,318</u>	<u>3,871,546</u>
<i>Depreciation and amortisation</i>		
Depreciation - property, plant and equipment	1,791,618	1,205,816
Depreciation - right-of-use assets	784,953	668,436
Amortisation	411,413	172,991
	<u>2,987,984</u>	<u>2,047,243</u>
<i>IPO transaction costs</i>		
IPO transaction costs	-	674,639
	<u>-</u>	<u>674,639</u>
IPO transaction costs represent those costs of raising capital which are not directly attributable to the new shares issued under the offer.		
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	625	5,646
Interest and finance charges paid/payable on lease liabilities	36,950	34,951
	<u>37,575</u>	<u>40,597</u>



Note 5. Cash and cash equivalents

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Current assets</i>		
<i>Unrestricted</i>		
Cash on hand	490	490
Cash at bank	3,596,612	5,322,296
Cash at bank for term deposits (less than 3 months maturity)	4,137,327	6,063,616
	<u>7,734,429</u>	<u>11,386,402</u>
<i>Restricted</i>		
Cash at bank for contracts	1,414,966	1,412,707
	<u>1,414,966</u>	<u>1,412,707</u>
Cash and cash equivalents	<u><u>9,149,395</u></u>	<u><u>12,799,109</u></u>

Restricted cash balance represents cash held by the entity as required under its bank guarantee arrangements. The cash held is not available for the purposes of the Company's operations.

Note 6. Trade and other receivables

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Current assets</i>		
Trade receivables	938,533	3,623,599
Accrued revenue	3,925,612	3,395,780
Other receivables	5,538,070	1,573,493
	<u>10,402,215</u>	<u>8,592,832</u>

Note 7. Other current assets

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Current assets</i>		
Term deposits (greater than 3 months maturity)	12,000,000	12,000,000
	<u>12,000,000</u>	<u>12,000,000</u>
Other current assets	<u>12,000,000</u>	<u>12,000,000</u>



Note 8. Property, plant and equipment

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Non-current assets</i>		
Motor vehicles - at cost	1,324,513	1,255,473
Less: Accumulated depreciation	(799,001)	(605,139)
Net carrying value	<u>525,512</u>	<u>650,334</u>
Computer equipment - at cost	567,296	455,374
Less: Accumulated depreciation	(310,964)	(251,428)
Net carrying value	<u>256,332</u>	<u>203,946</u>
Office equipment - at cost	270,415	224,254
Less: Accumulated depreciation	(135,987)	(98,391)
Net carrying value	<u>134,428</u>	<u>125,863</u>
Camera equipment - at cost	14,044,365	12,435,585
Less: Accumulated depreciation	(5,615,541)	(4,226,062)
Net carrying value	<u>8,428,824</u>	<u>8,209,523</u>
Property, plant and equipment	<u><u>9,345,096</u></u>	<u><u>9,189,666</u></u>

Reconciliations

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

Consolidated	Motor vehicles \$	Computer equipment \$	Office equipment \$	Camera equipment \$	Total \$
Balance at 30 June 2023	650,334	203,946	125,863	8,209,523	9,189,666
Additions	69,039	111,922	46,161	2,133,203	2,360,325
Foreign exchange movements	772	178	106	11,491	12,546
Impairment	-	-	-	(425,824)	(425,824)
Depreciation expense	(194,633)	(59,714)	(37,702)	(1,499,569)	(1,791,618)
Balance at 31 December 2023	<u><u>525,512</u></u>	<u><u>256,332</u></u>	<u><u>134,428</u></u>	<u><u>8,428,824</u></u>	<u><u>9,345,096</u></u>

Note 9. Right-of-use assets

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Non-current assets</i>		
Building right-of-use assets – at cost	1,732,105	1,599,353
Less: Accumulated depreciation	(916,326)	(695,313)
Net carrying value	<u>815,779</u>	<u>904,040</u>
Motor vehicle right-of-use assets – at cost	3,139,168	3,069,298
Less: Accumulated depreciation	(2,400,124)	(1,923,267)
Net carrying value	<u>739,044</u>	<u>1,146,031</u>
Right-of-use assets	<u><u>1,554,823</u></u>	<u><u>2,050,071</u></u>



Note 9. Right-of-use assets (continued)

Reconciliations

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

Consolidated	Building \$	Motor vehicle \$	Total \$
Balance at 30 June 2023	904,040	1,146,031	2,050,071
Additions and modifications	139,671	172,989	312,660
Foreign exchange movements	(3,417)	-	(3,417)
Impairment	-	(19,538)	(19,538)
Depreciation expense	(224,515)	(560,438)	(784,953)
Balance at 31 December 2023	<u>815,779</u>	<u>739,044</u>	<u>1,554,823</u>

Note 10. Intangibles

	Consolidated 31 Dec 2023 \$	30 Jun 2023 \$
<i>Non-current assets</i>		
Capitalised development costs – at cost	3,181,421	2,218,415
Less: Accumulated amortisation	<u>(1,148,876)</u>	<u>(742,879)</u>
Net carrying value	<u>2,032,545</u>	<u>1,475,536</u>
Website – at cost	47,074	46,600
Less: Accumulated amortisation	<u>(9,320)</u>	<u>(4,660)</u>
Net carrying value	<u>37,754</u>	<u>41,940</u>
Intangibles	<u>2,070,299</u>	<u>1,517,476</u>

Reconciliations

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

Consolidated	Capitalised development costs \$	Website \$	Total \$
Balance at 30 June 2023	1,475,536	41,940	1,517,476
Additions	963,006	474	963,480
Foreign exchange movements	756	-	756
Amortisation expense	(406,753)	(4,660)	(411,413)
Balance at 31 December 2023	<u>2,032,545</u>	<u>37,754</u>	<u>2,070,299</u>



Note 11. Trade and other payables

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
<i>Current liabilities</i>		
Trade payables	2,087,689	411,777
Accrued liabilities	2,687,418	4,289,151
Other payables	777,868	1,130,167
	<u>5,552,975</u>	<u>5,831,095</u>
Trade and other payables	<u>5,552,975</u>	<u>5,831,095</u>

Note 12. Issued capital

	Consolidated			
	31 Dec 2023	30 Jun 2023	31 Dec 2023	30 Jun 2023
	Shares	Shares	\$	\$
Ordinary shares - fully paid	<u>126,399,975</u>	<u>25,229,995</u>	<u>37,570,540</u>	<u>37,455,540</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	30 June 2023	25,229,995		37,455,540
5:1 share split	25 July 2023	100,919,980		-
Conversion of share options	28 November 2023	250,000	\$0.46	115,000
Balance	31 December 2023	<u>126,399,975</u>		<u>37,570,540</u>

Note 13. Reserves

	Consolidated	
	31 Dec 2023	30 Jun 2023
	\$	\$
Foreign currency reserve	(8,404)	75,936
Employee equity benefits reserve	2,621,341	1,940,298
Reserves	<u>2,612,937</u>	<u>2,016,234</u>

Note 14. Earnings/(loss) per share

	Consolidated	
	31 Dec 2023	31 Dec 2022
	\$	\$
Loss after income tax attributable to the owners of Acusensus Limited	<u>(241,430)</u>	<u>(262,802)</u>



Note 14. Earnings/(loss) per share (continued)

	Number	Number
Weighted average number of ordinary shares used in calculating basic loss per share	126,194,812	100,324,975
Weighted average number of ordinary shares used in calculating diluted loss per share	<u>126,194,812</u>	<u>100,324,975</u>
	Cents	Cents
Basic loss per share*	0.00	0.00
Diluted loss per share*	0.00	0.00

On 25 July 2023, a resolution was approved for the subdivision of capital with every one share being subdivided into five shares. All options on issue were subdivided in the same ratio as the subdivision of capital in accordance with ASX Listing Rule 7.22.2. In accordance with AASB 133 Earning per Share, the number of ordinary shares outstanding before the event is adjusted for the proportion change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented.

Due to the consolidated entity's loss position, options have been excluded from the above calculations as its inclusion would be anti-dilutive.

**Basic and diluted loss per share have been rounded to two decimal places.*

Note 15. Reconciliation of loss after income tax to net cash from/(used in) operating activities

	Consolidated 31 Dec 2023 \$	31 Dec 2022 \$
Loss after income tax expense for the half-year	(241,430)	(262,802)
Adjustments for:		
Depreciation and amortisation	2,987,984	2,047,243
Impairment	425,360	220,298
Share-based payments	681,043	198,168
Change in operating assets and liabilities:		
Increase in trade and other receivables	(1,809,383)	(3,543,176)
Decrease/(increase) in contract assets	303,807	(177,760)
Increase in inventories	(396,672)	(47,864)
Decrease in net deferred tax liability	(64,647)	-
Decrease/(increase) in other assets	737	(33,293)
(Decrease)/increase in trade and other payables	(278,120)	588,226
Decrease in contract liabilities	(1,483,160)	(126,277)
Increase in provisions	153,966	141,462
Increase in income tax payable	<u>172,051</u>	<u>-</u>
Net cash from/(used in) operating activities	<u>451,536</u>	<u>(995,775)</u>



Note 16. Events after the reporting period

On 8 January 2024, the Company announced it entered into a contract with the South Australia Government for the provision of fixed mobile phone detection camera. The agreement is for a five-year term, with an option for an additional one year. The estimated total contract value over the initial five-year term of the agreement is \$5 million (excluding GST).

No other matter or circumstance has arisen since 31 December 2023 that has significantly affected, or may significantly affect the consolidated entity's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Acusensus Limited
Directors' declaration
31 December 2023



In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 Interim Financial Reporting, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the financial half-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.

Signed in accordance with a resolution of Directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in black ink, appearing to read 'AJ'.

Alexander Jannink
Director

26 February 2024
Melbourne, Australia

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Acusensus Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Acusensus Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

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

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2023 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

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

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

Responsibility of the directors for the financial report

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



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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

BDO Audit Pty Ltd

BDO


Salim Biskri
Director

Melbourne, 26 February 2024