

DomaCom Limited
Appendix 4D
Half-year report

1. Company details

Name of entity: DomaCom Limited
ABN: 69 604 384 885
Reporting period: For the half-year ended 31 December 2024
Previous period: For the half-year ended 31 December 2023

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	33.5% to	666,186
Loss from ordinary activities after tax attributable to the owners of DomaCom Limited	down	32.6% to	(3,039,487)
Loss for the half-year attributable to the owners of DomaCom Limited	down	32.6% to	(3,039,487)

Dividends

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

Comments

The loss for the consolidated entity after providing for income tax amounted to \$3,039,487 (31 December 2023: \$4,511,383).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>(1.39)</u>	<u>(1.33)</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

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

Previous period

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

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. 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 Interim Report.

11. Attachments

Details of attachments (if any):

The Interim Report of DomaCom Limited for the half-year ended 31 December 2024 is attached.

12. Signed



Signed _____

Date: 3 March 2025

Guiseppe Porcelli
Chairman

DomaCom Limited

ABN 69 604 384 885

Interim Report - 31 December 2024

DomaCom Limited
Directors' report
31 December 2024

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity' or 'DomaCom') consisting of DomaCom 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 2024.

Directors

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

Dr John R Hewson (Chairman and Non-Executive Director) (resigned 15 August 2024)
Mr George D Paxton (Non-Executive Director) (resigned 2 August 2024)
Mr Steven James (CEO and Non-Executive Director) (resigned only as CEO on 23 October 2024)
Mr Ross Landles (Chairman and Non-Executive Director) (appointed Director 23 May 2024) (resigned only as Chairman on 9 January 2025, resigned on 18 February 2025)
Mr Alberto Basile (Non-Executive Director) (appointed 15 August 2024)
Mr Ray B Jourdan (Non-Executive Director) (appointed 15 August 2024, resigned on 12 September 2024) (Executive Director) (appointed 12 September 2024)
Mr Vinu Koliyat (Non-Executive Director) (appointed 15 August 2024, resigned on 9 January 2025)
Mr Giuseppe Porcelli (Chairman and Non-Executive Director) (appointed 9 January 2025)

Principal activities

During the financial half-year the principal continuing activities of the consolidated entity consisted of the development of a software platform to be used for the trading of fractional interests in property.

Review of operations

The loss for the consolidated entity after providing for income tax amounted to \$3,039,487 (31 December 2023: \$4,511,383).

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 9 January 2025, Mr Giuseppe Porcelli was appointed as Non-Executive Chairman of the Board. On that same day, Mr Vinuraj Koliyat, Non-Executive Director, resigned from the Board.

On 9 January 2025, the company announced the completion of a \$2 million investment through a private placement with a new sophisticated investor via the issue of 142,857,143 fully paid ordinary shares at an issue price of \$0.014 per share ('Placement'). Following completion of the Placement, the new investor held an interest of approximately 19.5% in the company. The funds were used to pay outstanding debt liability to Bricklet and for working capital purposes.

On 17 January 2025, the company announced the appointment of Hall Chadwick NSW as auditor of the consolidated entity, followed the resignation of Grant Thornton Audit Pty Ltd.

On 28 January 2025, the company announced the following key changes to the executive team:

- Jules Grove appointed Chief Financial Officer ('CFO')
- Vinuraj Koliyat appointed Chief Experience and Technology Officer ('CXTO')
- Ray Jourdan appointed Chief Operations Officer ('COO')
- Ross Laidlaw appointed Chief Commercialisation Officer ('CCO')

On 17 February 2025, the company announced a \$1.5 million private placement from MFL Properties. MFL Properties will subscribe for 107,142,857 fully paid ordinary shares at \$0.014 per share. As part of the placement, MFL Properties will be issued 50,000,000 options exercisable on 12 December 2025 at \$0 if the 30-day VWAP of the shares on that date is less than \$0.02. If the 30-day VWAP share price on that date is \$0.02 or higher, the options will be cancelled.

On 18 February 2025, Non-Executive Director Ross Landles resigned from the Board.

No other matter or circumstance has arisen since 31 December 2024 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.

DomaCom Limited
Directors' report
31 December 2024

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.

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



Guiseppe Porcelli
Chairman

3 March 2025

**DOMACOM LIMITED
ABN 69 604 384 885
AND ITS CONTROLLED ENTITIES**

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF DOMACOM LIMITED**

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of DomaCom Limited. As the lead audit partner for the review of the financial report of DomaCom Limited for the half-year ended 31 December 2024, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner
Dated: 3 March 2025

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Level 9 50 Pirie Street Adelaide SA 5000 +61 8 7093 8283	Level 4 240 Queen Street Brisbane QLD 4000 +61 7 2111 7000	Level 1 48-50 Smith Street Darwin NT 0800 +61 8 8943 0645	Level 14 440 Collins Street Melbourne VIC 3000 +61 3 9820 6400	Level 11 77 St Georges Tce Perth WA 6000 +61 8 6557 6200	Level 40 2 Park Street Sydney NSW 2000 +61 2 9263 2600

Liability limited by a scheme approved under Professional Standards Legislation. Hall Chadwick (NSW) Pty Ltd ABN: 32 103 221 352

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DomaCom Limited
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31 December 2024

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General information

The financial statements cover DomaCom Limited as a consolidated entity consisting of DomaCom 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 DomaCom Limited's functional and presentation currency.

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

Level 14, 333 Collins 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 3 March 2025.

DomaCom Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2024

		Consolidated	
	Note	31 December 2024	31 December 2023
		\$	\$
Revenue			
Fund management and campaign management revenues	2	664,282	981,467
Interest income calculated using the effective interest method		1,684	8,769
Other income		220	11,724
Expenses			
Advertising		-	(48,415)
Depreciation and amortisation expense		(1,519)	(257,287)
Director fees		(64,515)	(153,228)
Employee benefits expenses		(761,285)	(835,767)
Finance costs		(1,110,525)	(783,287)
Fund administration		(193,130)	(71,679)
Impairment of financial assets		(421,818)	-
Impairment of intangible assets		-	(1,320,316)
Impairment of investments		(2,750)	(897,038)
Insurance		(248,062)	(210,358)
IT consulting and outsourced services		(169,290)	(243,416)
IT expenditure		(110,898)	(91,290)
Other expenses		(200,021)	(96,035)
Professional fees		(340,288)	(424,012)
Rent		(76,935)	(72,560)
Travel expenses		(4,637)	(8,655)
Loss before income tax expense		(3,039,487)	(4,511,383)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of DomaCom Limited		(3,039,487)	(4,511,383)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translating foreign operations		88	(32)
Other comprehensive income for the half-year, net of tax		88	(32)
Total comprehensive income for the half-year attributable to the owners of DomaCom Limited		(3,039,399)	(4,511,415)
		Cents	Cents
Basic earnings per share		(0.66)	(1.00)
Diluted earnings per share		(0.66)	(1.00)

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

DomaCom Limited
Statement of financial position
As at 31 December 2024

		Consolidated	
	Note	31 December	30 June 2024
		2024	2024
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	3	304,764	53,646
Receivables	4	-	160,096
Prepayments and other assets		22,080	203,075
Total current assets		<u>326,844</u>	<u>416,817</u>
Non-current assets			
Financial assets at fair value through profit and loss		12,963	12,963
Property, plant and equipment		3,087	4,605
Total non-current assets		<u>16,050</u>	<u>17,568</u>
Total assets		<u>342,894</u>	<u>434,385</u>
Liabilities			
Current liabilities			
Trade and other payables	5	1,951,374	1,856,945
Borrowings	6	5,250,090	1,125,000
Employee provisions		115,806	112,448
Total current liabilities		<u>7,317,270</u>	<u>3,094,393</u>
Non-current liabilities			
Borrowings	6	1,083,833	2,991,431
Employee provisions		102,700	155,241
Total non-current liabilities		<u>1,186,533</u>	<u>3,146,672</u>
Total liabilities		<u>8,503,803</u>	<u>6,241,065</u>
Net liabilities		<u>(8,160,909)</u>	<u>(5,806,680)</u>
Equity			
Issued capital	7	46,952,682	46,737,083
Reserves	8	2,515,897	2,046,238
Accumulated losses		(57,629,488)	(54,590,001)
Total deficiency in equity		<u>(8,160,909)</u>	<u>(5,806,680)</u>

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

DomaCom Limited
Statement of changes in equity
For the half-year ended 31 December 2024

	Issued		Accumulated	Total
Consolidated	capital	Reserves	losses	deficiency in
	\$	\$	\$	equity
				\$
Balance at 1 July 2023	44,987,083	1,486,168	(47,358,308)	(885,057)
Loss after income tax expense for the half-year	-	-	(4,511,383)	(4,511,383)
Other comprehensive income for the half-year, net of tax	-	(32)	-	(32)
Total comprehensive income for the half-year	-	(32)	(4,511,383)	(4,511,415)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of convertible notes	-	530,670	-	530,670
Issue of options	-	28,246	-	28,246
Balance at 31 December 2023	<u>44,987,083</u>	<u>2,045,052</u>	<u>(51,869,691)</u>	<u>(4,837,556)</u>

	Issued	Other		Accumulated	Total
Consolidated	capital	Contributed	Reserves	losses	deficiency in
	\$	equity	\$	\$	equity
		\$			\$
Balance at 1 July 2024	44,987,083	1,750,000	2,046,238	(54,590,001)	(5,806,680)
Loss after income tax expense for the half-year	-	-	-	(3,039,487)	(3,039,487)
Other comprehensive income for the half-year, net of tax	-	-	88	-	88
Total comprehensive income for the half-year	-	-	88	(3,039,487)	(3,039,399)
<i>Transactions with owners in their capacity as owners:</i>					
Conversion of contributed equity to fully paid ordinary shares (note 7)	1,750,000	(1,750,000)	-	-	-
Recognition of equity component of convertible loan agreement (note 8)	-	-	450,755	-	450,755
Conversion of convertible loan agreement to fully paid ordinary shares (note 6 and note 8)	215,599	-	(26,898)	-	188,701
Options granted in connection with short-term borrowings (note 8)	-	-	45,714	-	45,714
Balance at 31 December 2024	<u>46,952,682</u>	<u>-</u>	<u>2,515,897</u>	<u>(57,629,488)</u>	<u>(8,160,909)</u>

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

DomaCom Limited
Statement of cash flows
For the half-year ended 31 December 2024

	Consolidated	
	31 December 2024	31 December 2023
	\$	\$
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	640,906	981,467
Payments to suppliers and employees (inclusive of GST)	<u>(1,553,844)</u>	<u>(1,956,195)</u>
	(912,938)	(974,728)
Other income	1,305	11,816
Interest and other finance costs paid	<u>(218,556)</u>	<u>(296,317)</u>
Net cash used in operating activities	<u>(1,130,189)</u>	<u>(1,259,229)</u>
Cash flows from investing activities		
Payments for plant and equipment	-	(1,452)
Payments for intangibles	(20,000)	(50,000)
Payments advanced to related parties	(388,884)	(509,674)
Amounts repaid by related parties	-	363,312
Interest received	<u>-</u>	<u>8,769</u>
Net cash used in investing activities	<u>(408,884)</u>	<u>(189,045)</u>
Cash flows from financing activities		
Proceeds from issue of convertible notes	-	2,171,000
Payment of convertible note issue costs	-	(521,339)
Repayment of convertible notes	-	(500,000)
Proceeds from short term loans	-	350,000
Proceeds from non-current borrowings	2,610,000	-
Share issue transaction costs	(219,638)	-
Repayment of non-current borrowings	(350,000)	-
Finance costs of non-current borrowings	<u>(250,000)</u>	<u>-</u>
Net cash from financing activities	<u>1,790,362</u>	<u>1,499,661</u>
Net increase in cash and cash equivalents	251,289	51,387
Cash and cash equivalents at the beginning of the financial half-year	53,646	486,464
Effects of exchange rate changes on cash and cash equivalents	<u>(171)</u>	<u>(32)</u>
Cash and cash equivalents at the end of the financial half-year	<u><u>304,764</u></u>	<u><u>537,819</u></u>

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

Note 1. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2024 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. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

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 2024 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 accounting policies adopted are consistent with those of the previous financial year and corresponding interim 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.

Going concern

As a developing business the consolidated entity has experienced a loss of \$3,039,487 (31 December 2023: loss of \$4,511,383) and cash outflows from operating activities of \$1,130,189 (31 December 2023: operating outflows of \$1,259,229). The consolidated entity has negative net working capital of \$6,990,426 (30 June 2024: negative net working capital of \$2,677,576) and a net liability position of \$8,160,909 (30 June 2024: net liabilities of \$5,806,680). The consolidated entity is currently solvent as it is able to pay its liabilities as they fall due.

The negative net working capital is largely driven by the unsecured convertible notes that have now passed maturity. The net liability position is primarily caused by the non-current borrowings, of which \$1.5m was repaid post-year end.

The directors also recognised that its wholly owned subsidiary, DomaCom Australia Limited is in breach of its Australian Financial Services License ('AFSL') conditions, which will be rectified through ongoing equity raisings conducted by the Group.

The continuing viability of the consolidated entity and its ability to continue as a going concern is dependent upon

- undertaking capital raising activities as part of ongoing capital management;
- increasing fee revenue through growing Funds under Management ("FUM") within the DomaCom Fund; and
- the conversion, extension or refinancing of the Convertible Notes and the continued controlling of costs.

Currently the trustee of the DomaCom Fund has temporarily withdrawn the DomaCom Fund Product Disclosure Statement which effectively has suspended the taking on of new business. DomaCom are working with the trustee to address the issues raised to allow the temporary suspension to be removed.

The ASX quotation of DomaCom is currently suspended.

On 9 January 2025, the Company announced that it had completed a private placement to a new sophisticated investor via the issue of 142,857,143 Shares at an issue price of \$0.014 per Share.

On 13 February 2025, the Company announced that it had secured a \$1.5 million private placement from MFL Properties Pty Ltd (ACN 672 790 831), whereby MFL agreed to subscribe for 107,142,857 Shares at \$0.014 per Share to raise up to approximately \$1,500,000, together with 50,000,000 options to acquire shares exercisable on 12 December 2025 at a nil exercise price if the 30-day volume weighted average price (VWAP) of Shares immediately prior to that date is less than \$0.02. If the 30-day VWAP is higher than \$0.02, the Options will be cancelled.

Once the announced capital raising activities have been commenced, DomaCom will approach the ASX to seek to be readmitted to quotation that will provide further flexibility for future capital raising activities if required. There is no certainty that the ASX will allow DomaCom to be readmitted to quotation.

DomaCom Limited
Notes to the financial statements
31 December 2024

Note 1. Material accounting policy information (continued)

If these matters are not achieved, there may be material uncertainty as to whether the consolidated entity continues as a going concern and, therefore, whether it will realise its assets and settle its liabilities in the normal course of business and at the amounts stated in the financial report. We believe that the consolidated entity will be able to continue to access sufficient sources of funds if required and will continue to grow revenue and maintain cost control measures, and therefore are satisfied that the consolidated entity will continue as a going concern. Accordingly, the financial report has been prepared on a going concern basis. No adjustments have been made to the financial report relating to the recoverability and classification of the asset carrying amounts or the amount and classification of liabilities that might be necessary should the consolidated entity not continue as a going concern.

Note 2. Fund management and campaign management revenues

	Consolidated	Consolidated
	31 December	31 December
	2024	2023
	\$	\$
Campaign management fees	-	323,459
Ongoing management fees	664,282	658,008
	<u>664,282</u>	<u>981,467</u>

	Consolidated	Consolidated
	31 December	31 December
	2024	2023
	\$	\$
Services recognised at a point in time	-	323,459
Services recognised over time	664,282	658,008
	<u>664,282</u>	<u>981,467</u>

Note 3. Cash and cash equivalents

	Consolidated	
	31 December	30 June 2024
	2024	2024
	\$	\$
<i>Current assets</i>		
Cash at bank	264,764	13,646
Cash on deposit	40,000	40,000
	<u>304,764</u>	<u>53,646</u>

DomaCom Limited
Notes to the financial statements
31 December 2024

Note 4. Receivables

	Consolidated	
	31 December	
	2024	30 June 2024
	\$	\$
<i>Current assets</i>		
Trade debtors	71,031	134,696
Less: Allowance for expected credit losses	<u>(71,031)</u>	<u>(46,783)</u>
	-	87,913
Amount receivable under Settlement Agreement	1,550,000	1,550,000
Less: Allowance for expected credit losses	<u>(1,550,000)</u>	<u>(1,550,000)</u>
	-	-
Other receivables	-	72,183
Amount receivable from related party	397,571	400,443
Less: Provision for doubtful debts	<u>(397,571)</u>	<u>(400,443)</u>
	-	160,096

Receivables are non-interest bearing. The consolidated entity reviews all receivables for impairment. All receivables were assessed for expected credit losses. Any receivables which are doubtful are provided for based on the expected credit loss.

DomaCom entered into a Revenue Recognition Agreement with AustAgri Group Ltd (“AustAgri”) and Global Meat Exports Pty Ltd (“GME”), under which there was a conditional agreement to onboard AustAgri into a DomaCom Sub-Fund (“Scheme”) and a termination fee of \$8.5 million plus GST if the Scheme was not implemented within the deadline provided for in that agreement. As the Scheme was not implemented it was DomaCom’s position that the termination fee was payable under the Revenue Recognition Agreement and there was a debt due and owing to DomaCom. It was on this basis that DomaCom issued an invoice and statutory demand to GME for \$8.5 million plus GST. On 25 March 2022, DomaCom announced that a settlement had been reached with GME under which a settlement fee of \$2.5m plus GST was payable to DomaCom in instalments. At 31 December 2023 \$950,000 of the \$2,500,000 due to DomaCom under the Settlement Agreement has been received. DomaCom has maintained all of its rights under the Settlement Agreement. Expected credit loss provisioning has been applied to reflect the payment delays. As a result of the expected credit loss analysis, an impairment loss of \$896,000 was recognised for the period to 31 December 2023 and the amount due under the Settlement Agreement after provisioning is \$nil. DomaCom continues to pursue the outstanding balance through applicable legal processes.

Note 5. Trade and other payables

	Consolidated	
	31 December	
	2024	30 June 2024
	\$	\$
<i>Current liabilities</i>		
Trade creditors	858,093	840,983
Superannuation payable	27,987	38,417
Payroll deductions payable	303,528	157,919
Accrued expenses and other liabilities	<u>761,766</u>	<u>819,626</u>
	1,951,374	1,856,945

DomaCom Limited
Notes to the financial statements
31 December 2024

Note 6. Borrowings

	Consolidated	
	31 December	30 June 2024
	2024	2024
	\$	\$
<i>Current liabilities</i>		
Short-term borrowings	342,762	475,000
Unsecured convertible notes	650,000	650,000
Current borrowings (Bricklet Ltd)	4,257,328	-
	<u>5,250,090</u>	<u>1,125,000</u>
<i>Non-current liabilities</i>		
Non-current borrowings	-	2,000,000
Convertible notes (tranche 1 & 2)	1,083,833	991,431
	<u>1,083,833</u>	<u>2,991,431</u>
	<u><u>6,333,923</u></u>	<u><u>4,116,431</u></u>

	Short-term borrowings	Unsecured convertible notes	Current borrowings (Bricklet Ltd)	Convertible notes (tranche 1 & 2)	Total
	\$	\$	\$	\$	\$
Opening balance at 1 July 2024	475,000	650,000	2,000,000	991,431	4,116,431
Borrowings	200,000	-	2,610,000	-	2,810,000
Repayments	(350,000)	-	-	-	(350,000)
Transaction cost recognised on short-term borrowings	(45,714)	-	-	-	(45,714)
Equity component of convertible loan recognised as compound financial instrument (note 8)	-	-	(458,146)	-	(458,146)
Transaction cost recognised on convertible loan	-	-	(38,796)	-	(38,796)
Effective interest recognised on convertible loan	-	-	332,971	-	332,971
Conversion from borrowing to fully paid ordinary shares (note 7)	-	-	(188,701)	-	(188,701)
Interest expense and payments	63,476	-	-	92,402	155,878
	<u>342,762</u>	<u>650,000</u>	<u>4,257,328</u>	<u>1,083,833</u>	<u>6,333,923</u>

Short-term borrowings

On 31 August 2023, two short-term unsecured loans totalling \$350,000 were recognised with an initial interest rate of 15% for a 3-month period. The loan has been extended on a rolling basis with a 5% monthly interest rate.

On 6 May 2024, an unsecured loan of \$125,000 was entered into with a Director of DomaCom with a maturity date of 5 June 2024 and an interest rate of 13% per annum paid on maturity. This remains outstanding at 31 December 2024.

On 1 July 2024, an unsecured loan of \$200,000 was entered into with the principal IT service provider through the conversion of a trade creditor balance with a maturity date of 1 July 2026 and an interest rate of 13% per annum paid on maturity.

Note 6. Borrowings (continued)

Unsecured convertible notes

On 18 May 2020, 650,000 unsecured convertible notes were recognised with an annual coupon of 10% payable quarterly in arrears. The holder of each note had the right to convert into one share at a conversion price of \$0.10 up to 25 January 2023. The notes were accounted for partly as debt and partly as equity.

On 4 November 2022, the 650,000 unsecured convertible notes were subject to a significant amendment and as a result were derecognised, resulting in a loss on derecognition of \$21,899.

On 4 November 2022, 650,000 unsecured convertible notes were re-recognised with the same annual coupon of 10% payable quarterly in arrears. The holder of each note has the right to convert into one share at the same conversion price of \$0.10. The unsecured noteholders have entered into a subordination agreement such that they will not be repaid before the secured convertible noteholders. As a result of the amendment to the maturity date of the secured convertible notes, the effective maturity date of the unsecured convertible notes was also extended to 1 February 2024. The notes have been accounted for partly as debt and partly as equity.

Non-current borrowings

On 4 March 2024, a loan of \$1,500,000 was entered into with Bricklet Ltd with a maturity date of 1 March 2026 and an interest rate of 12% per annum paid quarterly in arrears.

On 16 May 2024, loans of \$500,000 were entered into with two investors with a maturity date of 31 October 2025 and an interest rate of 13% per annum paid quarterly in arrears.

On 16 August 2024, a deed of amendment and restatement ('Variation Deed') was entered into, resulting in:

- The \$500,000 loan above ('Existing Loan') being convertible into fully paid ordinary shares in the company; and
 - A new \$2,500,000 unsecured loan facility ('New Loan'), also convertible into fully paid ordinary shares in the company.
- The loan facility has a maturity date of 31 October 2025 and an interest rate of 13% per annum paid quarterly in arrears.

At 31 December 2024, the \$2,500,000 unsecured loan facility with Bricklet Ltd as announced on 16 August 2024 had been drawn down in full.

On 31 December 2024, the above \$2,500,000 unsecured loan facility with Bricklet Ltd was overdrawn to the amount of \$110,000 and repaid immediately subsequent to the half-year end.

Convertible notes (tranche 1 & 2)

DomaCom completed a capital raising of \$2.151m through the issuance of convertible notes to wholesale and sophisticated investors. The convertible notes in the raising have a face value of \$1.00 per note, a 5-year maturity date, pay an annual interest rate of 12%, and have a conversion price of \$0.08.

On 17 November 2023, \$2,081,000 was raised through the issue of tranche 1 convertible notes.

On 12 December 2023, \$70,000 was raised through the issue of tranche 2 convertible notes as part of the capital raise announced on 10 October 2023.

Note 6. Borrowings (continued)

Estimates and judgement - borrowings

The Variation Deed above has given rise to an area of judgement for disclosure within the half-year.

Existing Loan

The Existing Loan of \$500,000 had, in the previous financial period, been recognised as a financial liability, as the loan and the coupon payments were a contractual obligation to pay cash that the consolidated entity could not avoid, and did not have any characteristics similar to equity.

Upon entering into the Variation Deed, the nature of the arrangement changed, such that the coupons remained repayable in cash, whereas the principal loan balance became convertible to fully paid ordinary shares. Therefore, the coupons represent a contractual obligation to pay cash that the consolidated entity cannot avoid, while the principle represents characteristics that are similar to equity. The principle satisfies the fixed for fixed test, that is, a fixed number of shares to be issued at a fixed price and does not contain a derivative component. Therefore, the Existing Loan, from 16 August 2024, is accounted for as a compound financial instrument.

The above change results in a substantial modification to the terms of the Existing Loan in accordance with *AASB 9 Financial Instruments*, as the present value of future cashflows is now substantially different. Put otherwise, the principal loan balance is no longer repayable in cash and therefore, does not form part of the present value of future cash flows.

This substantial modification requires the initial liability to be extinguished, with any gain or loss arising from the extinguishment to be recognised in the P&L. Note in this scenario, there is no gain or loss arising from the extinguishment and subsequent re-recognition as a compound financial instrument, as a compound financial instrument is accounted for by present valuing the future cashflows (the debt component), with the residual value being allocated to equity.

Subsequent measurement of the compound financial instrument is as follows:

- The equity component remains unchanged from initial recognition
- The debt component (financial liability) has two ongoing finance costs, being (1) The unwinding of the effective interest over the life of the loan to maturity; and (2) The cash coupons payable quarterly in arrears.

New Loan

Similar to the Existing Loan above, the New Loan has characteristics of both debt and equity, as the coupons are repayable in cash, whereas the principal loan balance is convertible to fully paid ordinary shares. Therefore, the coupons represent a contractual obligation to pay cash that the consolidated entity cannot avoid, while the principle represents characteristics that are similar to equity. The principle satisfies the fixed for fixed test, that is, a fixed number of shares to be issued at a fixed price and does not contain a derivative component. Therefore, the New Loan is accounted for as a compound financial instrument.

Note 7. Issued capital

	Consolidated			
	31 December 2024 Shares	30 June 2024 Shares	31 December 2024 \$	30 June 2024 \$
Ordinary shares - fully paid	589,073,201	435,501,773	46,952,682	44,987,083
Other contributed equity			-	1,750,000
	<u>589,073,201</u>	<u>435,501,773</u>	<u>46,952,682</u>	<u>46,737,083</u>

DomaCom Limited
Notes to the financial statements
31 December 2024

Note 7. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2024	435,501,773		44,987,083
Tranche 1 - Fully paid ordinary shares issued to Mihubb Ventures Pty Limited atf Karakoram Trust	21 November 2024	20,026,802	\$0.014	280,375
Fully paid ordinary shares issued to Bricklet Limited	21 November 2024	71,428,570	\$0.014	1,000,000
Fully paid ordinary shares issued to Mihubb Ventures Pty Limited atf Karakoram Trust as conversion of \$200,000 loan	23 December 2024	14,285,715	\$0.014	202,149
Fully paid ordinary shares issued to Mihubb Ventures Pty Limited atf Karakoram Trust as bonus shares	24 December 2024	14,285,715	\$0.014	13,450
Tranche 2 - Fully paid ordinary shares issued to Mihubb Ventures Pty Limited atf Karakoram Trust	24 December 2024	<u>33,544,626</u>	\$0.014	<u>469,625</u>
Balance	31 December 2024	<u>589,073,201</u>		<u>46,952,682</u>

Movements in other contributed equity

Details	Date	\$
Balance	1 July 2024	1,750,000
Tranche 1 - Fully paid ordinary shares issued to Mihubb Ventures Pty Limited atf Karakoram Trust	21 November 2024	(280,375)
Fully paid ordinary shares issued to Bricklet Limited	21 November 2024	(1,000,000)
Tranche 2 - Fully paid ordinary shares issued to Mihubb Ventures Pty Limited atf Karakoram Trust	23 December 2024	<u>(469,625)</u>
Balance	31 December 2024	<u>-</u>

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.

Other contributed equity

Other contributed equity relates to cash receipted on shares not yet issued. Other contributed equity holders have no voting rights until the shares are issued.

Share buy-back

There is no current on-market share buy-back.

DomaCom Limited
Notes to the financial statements
31 December 2024

Note 8. Reserves

	Consolidated	
	31 December	30 June 2024
	2024	2024
	\$	\$
Convertible instruments reserve	2,438,780	2,014,923
Equity option reserve	73,960	28,246
Foreign currency translation reserve	3,157	3,069
	<u>2,515,897</u>	<u>2,046,238</u>

Movements in reserves

Movements in each class of reserve during the current financial half-year are set out below:

Consolidated	Convertible instruments reserve \$	Equity option reserve \$	Foreign currency translation reserve \$	Total \$
Balance at 1 July 2024	2,014,923	28,246	3,069	2,046,238
Recognition of convertible loan agreement - conversion feature	229,073	-	-	229,073
Recognition of convertible loan agreement - bonus shares*	229,073	-	-	229,073
Recognition of convertible loan agreement transaction costs	(7,391)	-	-	(7,391)
Conversion of convertible loan agreement with Mihubb - conversion feature	(13,449)	-	-	(13,449)
Conversion of convertible loan agreement with Mihubb - bonus shares	(13,449)	-	-	(13,449)
Grant of options in connection with short-term borrowings, recognised as a finance cost	-	45,714	-	45,714
Foreign currency translation	-	-	88	88
Balance at 31 December 2024	<u>2,438,780</u>	<u>73,960</u>	<u>3,157</u>	<u>2,515,897</u>

Bonus shares

Within the Variation Deed described in note 6, the consolidated entity had an obligation to issue one fully paid ordinary share in the company, at no additional cost to the relevant lender. The bonus shares are classified as an equity instrument at initial recognition as they were part of the original loan terms, only issued upon conversion, fixed in number, and proportionally available to all lenders. They do not represent a financing cost under the effective interest method and are not separately transferable. Accordingly, as part of the compound financial instrument recognised and described in note 6, a portion of the loan proceeds is allocated to equity at inception, separate from the debt component.

Note 9. Dividends

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

Note 10. Commitments and contingencies

The consolidated entity had no capital commitments or contingent liabilities as at 31 December 2024 (30 June 2024: none).

Note 11. Events after the reporting period

On 9 January 2025, Mr Giuseppe Porcelli was appointed as Non-Executive Chairman of the Board. On that same day, Mr Vinuraj Koliyat, Non-Executive Director, resigned from the Board.

Note 11. Events after the reporting period (continued)

On 9 January 2025, the company announced the completion of a \$2 million investment through a private placement with a new sophisticated investor via the issue of 142,857,143 fully paid ordinary shares at an issue price of \$0.014 per share ('Placement'). Following completion of the Placement, the new investor held an interest of approximately 19.5% in the company. The funds were used to pay outstanding debt liability to Bricklet and for working capital purposes.

On 17 January 2025, the company announced the appointment of Hall Chadwick NSW as auditor of the consolidated entity, followed the resignation of Grant Thornton Audit Pty Ltd.

On 28 January 2025, the company announced the following key changes to the executive team:

- Jules Grove appointed Chief Financial Officer ('CFO')
- Vinuraj Koliyat appointed Chief Experience and Technology Officer ('CXTO')
- Ray Jourdan appointed Chief Operations Officer ('COO')
- Ross Laidlaw appointed Chief Commercialisation Officer ('CCO')

On 17 February 2025, the company announced a \$1.5 million private placement from MFL Properties. MFL Properties will subscribe for 107,142,857 fully paid ordinary shares at \$0.014 per share. As part of the placement, MFL Properties will be issued 50,000,000 options exercisable on 12 December 2025 at \$0 if the 30-day VWAP of the shares on that date is less than \$0.02. If the 30-day VWAP share price on that date is \$0.02 or higher, the options will be cancelled.

On 18 February 2025, Non-Executive Director Ross Landles resigned from the Board.

No other matter or circumstance has arisen since 31 December 2024 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.

DomaCom Limited
Directors' declaration
31 December 2024

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 2024 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



Guiseppe Porcelli
Chairman

3 March 2025

**DOMACOM LIMITED
ABN 69 604 384 885
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF DOMACOM LIMITED**

Conclusion

We have reviewed the half-year financial report of DomaCom Limited (the company) and its controlled entities (the group), which comprises the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year then ended, a summary of material accounting policy information 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:

- (a) giving a true and fair view of the group financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) 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 group 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 annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial statements which indicates that the group incurred a loss after tax of \$3,039,487 during the half-year ended 31 December 2024 and as of that date, the group had net liabilities of \$8,160,909. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate the existence of a material uncertainty that may cast significant doubt on the group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

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.

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**DOMACOM LIMITED
ABN 69 604 384 885
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF DOMACOM LIMITED**

Auditor's Responsibility for the Review of the Financial Report

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 2024 and its 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.



HALL CHADWICK (NSW)
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner
Dated: 3 March 2025