



Gathid Ltd
Annual & Financial Report
Year Ended 30 June 2024



Contents

03. FY2024 Financial Highlights

04. Corporate Directory

05. Chairman's Report

06. Corporate Governance Statement

07. Director's Report

14. Remuneration Report

22. Auditor's Independence Declaration

23. Financial Report

29. Notes to the consolidated financial statements

58. Consolidated entity disclosure statement

59. Director's Declaration

60. Independent audit report

61. Shareholders Information

FY2024 Financial Highlights

Corporate Directory

Directors

Robert Baker

Craig Davies

Peter Hill

Company Secretary

Kim Larkin

Principal place of business & registered offices

Australia:

Suite 205, 15 Lake Street, Varsity Lakes, 4227 (HQ)

Share Registry

Boardroom Pty Ltd

Auditor

BDO Audit Pty Ltd

Solicitor

GRT Lawyers Brisbane

Bankers

ANZ Bank (AU)

Bank of Queensland (AU)

Stock Exchange Listing

ASX (ticker: GTH)

Website Address

www.gathid.com

Chairman's Report

Dear Shareholder,

This financial year has been both satisfying and disappointing to the Board.

At the time of announcing the sale of the RightCrowd physical identity businesses and subsequently, we expressed our intention to focus on the rapidly growing global Identity Governance and Cyber Security markets and to retain sufficient funds to accelerate the growth of our earlier stage, SaaS based, Identity Governance Platform ("Gathid business"). Since the divestment, the Group set up the Gathid business with operations in three countries and Staff have been added in Sales, Marketing and Customer Success roles reflecting the focus on customer acquisition, customer experience and customer retention. As a result, the Company successfully signed new customers in each country it operates in and across several different business sectors.

At the time of issue of this report, the Company's ARR exceeds A\$1million, and the sales pipeline gives confidence that ARR will continue to grow during FY25.

The Board believes that the value of the Gathid business has grown by at least the amount spent on its operations and is satisfied with progress to date and the businesses prospects.

Late in 2023, Bloom, the purchaser of the RightCrowd physical identity businesses, provided a completion statement which stated that an Adjustment Amount to the total purchase price of AU\$1,341,845 was owed by Gathid to Bloom under the Share Purchase Agreement ("SPA"). Gathid disputed Bloom's calculation of several referred items in the completion statement. Gathid and Bloom ultimately referred the disputed items in the completion statement to an Expert for determination. The Expert issued its determination in respect of each of the referred items ("Determination") in June 2024, however the Expert did not quantify the overall impact its assessment of the referred items has on the total Adjustment Amount payable by one party to the other under the SPA. Bloom's interpretation of the Determination is that Gathid owes \$666,891 to Bloom, which is disputed by Gathid. While Gathid has engaged in negotiations in an attempt to resolve this dispute, the parties remain in dispute over the total Adjustment Amount due under the SPA.

As is customary for a business sale, any warranty claims must be made within the period specified in the SPA. Gathid recently received a letter from Bloom which referred to eight separate potential claims (of which five are potential warranty claims) under the SPA. The majority of matters raised by Bloom lacked particularisation and no actual claim was made. Gathid denies liability in respect of the matters raised. The Board is disappointed that the finalisation of the sale to Bloom has not been able to be resolved to the satisfaction of both parties.

Once completion adjustment payments and actual claims (if any) have been determined in relation to the sale of the RightCrowd businesses, the Company can properly consider the capital available to it and the extent to which any capital management initiatives can be pursued.

Shareholders will note that our auditors have not been able to reach an opinion in respect of the financial results in relation to: (i) the operation of the RightCrowd businesses up to the completion of the sale to Bloom ; or (ii) the sale of the RightCrowd businesses. Pursuant to the SPA, the business records of the RightCrowd businesses remained with RightCrowd after the sale. Bloom have not provided our auditors with access to documents they have requested in order to complete their audit of Gathid's FY24 financial accounts. .

The Company has continued to work with the ASX regarding the lifting of the suspension of trading of the Company's securities. The inability of the auditor to reach an opinion and lack of clarity around the final sale consideration for the RightCrowd businesses are complicating this process.

Thank you to our staff who continue to focus on growing the value of the Gathid business for shareholders. Thank you also to shareholders for your patience as the Board works through the issues outlined above.

The Board

Corporate Governance Statement

Gathid Ltd and the Board are committed to achieving and demonstrating the highest standards of corporate governance within the constraints that arise from the Company's small size. The Company has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The corporate governance statement reflects the corporate governance practices in place throughout the 2024 financial year and was approved by the Board on 17 September 2024.

A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement which can be viewed at: <https://gathid.com/investor-relations/>.

Director's Report

Director's Report

The directors of Gathid Ltd (formerly RightCrowd Limited) (the "Company") present their report together with the consolidated financial statements for the year ended 30 June 2024 and the audit report thereon.

Directors

The Directors of the company at any time during or since the end of the year are:

Directors	Period of Directorship
Robert Baker	Since 2017
Craig Davies	Since 2019 (appointed Executive Director in September 2023)
Peter Hill	Since 2004

Prior to his Board career, Robert worked in the professional services industry both in Australia and the UK. His main expertise and practice area was external audit, internal audit, financial reporting, internal control assessments and accounting advice. His business acumen resulted in him also being involved in management of parts of that business.

Robert has over a decade of board experience. His board experience includes as a board member of PricewaterhouseCoopers (2008-2013) serving its Finance, Country Admissions (nominations) and Partner Evaluation and Income (remuneration) Committees and Managing Partner in the Brisbane Office. He is currently a Director of Flight Centre Travel Group Limited (ASX: FLT, September 2013 to present) and Tourism Holdings Limited (ASX: THL November 2022 to present). In addition to these roles, he is a director of unlisted companies Goodman Private Wealth Ltd and Ozcare and is an Advisory Board member for several not-for-profit organisations.

He is Fellow of Chartered Accountants Australia & New Zealand and a Graduate of the Australian Institute of Company Directors.



Mr. Robert Baker

Non-executive Chairman

Appointed; 6 August 2017

Peter founded the RightCrowd business in 2004 and was instrumental in its growth until its disposal in September 2023. An entrepreneur for most of his 30 years in the information technology industry, Peter previously founded and led two other business software start-ups after finishing his career as a professional basketball player in the 1990's. Peter also holds a science degree majoring in computer science.



Mr. Peter Hill

Managing Director & Chief Executive Officer

Appointed: 18 March 2004

Craig is an executive with over 25 years' experience in technology and cyber security.

Previously, he was the CEO at the Australian Government's cyber security industry growth centre, AustCyber, the Head of Security at Atlassian, and Chief Security Officer at Cochlear Ltd, and held various technology roles with Westpac.

He is a member of the Australian Institute of Company Directors and a Director of GrowthOps Ltd (October 2019 to present).



Mr. Craig Davies

Executive Director and Chief Information Security Officer

Appointed: 20 August 2019 and appointed as Executive Director in September 2023

Director's interests in securities

Director	Ordinary Shares	Stock Options / Performance Rights
Robert Baker	433,333	Nil
Craig Davies ¹	204,166	Nil
Peter Hill ²	53,907,428	Nil

Company Secretary

The Company appointed Kim Larkin as Company Secretary on 10 August 2017. Kim is the Head of Corporate Services for Boardroom Pty Ltd.'s Queensland office and currently acts as Company Secretary for various ASX listed and unlisted companies in Australia. Kim is an experienced business professional with 24 years' experience in Banking and Finance and 8 years as in-house Company Secretary of an ASX300 company.

Principal Activities

Gathid is a global provider of its patented digital identity and access modelling software solution that excels at flagging anomalies and allowing customers to make rapid decisions about risks in their businesses.

Significant Changes to Activities

Other than matters disclosed elsewhere in this Annual Report, there were no other significant changes in the nature of the Consolidated Group's principal activities during the financial year.

Dividends Paid and Proposed

No dividends have been paid or proposed by the Company during or since the end of the financial year.

¹ Indirect interest held through JAUNE ROSE PTY LTD <DAVIES FAMILY TRUST>

² Indirect interest held through CNI PTY LTD <RIGHT CROWD A/C>

Review of Operations

On 4 July 2023 the Directors announced the Company entered into a Share Purchase Agreement with Bloom RC Holdings, Inc. for the sale of the Company's Workforce Management and Presence Control businesses. As a result, those business have been treated as discontinued operations in this year's financial statements. The Sale completed on 21 September 2023. For the purpose of the Review of Operations, comments are in respect of the Gathid business operated by the Company during the whole of the financial year.

During the year the focus of the business has been to continue progress settlement of the sale transaction in accordance with the Share Purchase Agreement, the commercialisation of the Gathid Software platform, grow the customer base and retain the already existing customers.

Revenue and Outlook

Revenue increased by 73% year over year, and this was the result of new business deals and the full year effect of some of the SaaS contracts closed at the end of the previous financial year ended 30 June 2023. The level of sales pipeline and the 3 deals already closed in FY25 would point to a continued increase in the company's revenue.

Other Income

The Group's other income totalled \$524,823 (up from \$443,881 FY23) and includes both interest income and an estimate of the R&D tax incentive expected to be received.

Expenses and Outlook

The Group continues to manage expenses carefully whilst making necessary investments to accelerate revenue opportunities. Expenses in FY24 reflect salary costs the Gathid platform costs, marketing costs, general administration costs and costs relating to the transaction in September 2023. FY25 operational costs are expected to increase to be able to service the increased customer base and capture the market expansion opportunity for Gathid platform.

Annual Recurring Revenues (ARR)

ARR is measured as the total annualized value of active customer contracts for subscriptions as at 30 June 2024. ARR represents non-IFRS financial information which provides an indication of the annual value of all recurring software contracts transacted by the Group. ARR information has not been subject to external audit review. ARR at 30 June 2024 was \$694,000 and since year end had increased to \$1,200,000 by 17 September 2024.

Review of Operations – Operational Highlights & Risks

Customer Growth

A total of 5 new active recurring contract customers were added during FY24.

The Company expects customer acquisition for new customers and expansions at existing enterprise customers, to accelerate during the financial year ending 30 June 2025.

Gathid Platform (formerly Access Analytics) and market risk

The Gathid Platform has been developed to quickly integrate with existing enterprise systems, including ERP and HR platforms, enabling fast deployment and pro-active identification of potential access security threats.

During FY24 the Group continued to develop its sales and marketing processes in relation to the growing Identity and Cyber Governance market space and has been successful in generating encouraging levels of sales pipeline through a targeted digital marketing program.

Whilst Gathid Software is in the early stages of commercialisation, the company continues to mitigate the risk of market adoption through adopting strong lead acquisition and management processes, through management of the sales opportunities and through continued product development based on feedback from clients and proof of concept trials. These activities will continue as commercialisation continues.

As previously mentioned the company has not finalised the closure of the sale transaction with the buyer of the physical access business lines. Due to the uncertainty in the amount that will be adjusted to the purchase price no adjustment has been made to the financial statements for any amount due to / or from the Buyer of the physical security business. The receipt of a warranty notice just prior to one year from the date of the transaction may mean that the executive team will be required to apply effort to manage this.

Auditor's independence declaration

The lead auditor's independence declaration for the year ended 30 June 2024 has been received and can be found on page 21 of the annual report.

Board and Committee Attendance

Director's attendance at Board and Committee meetings for the period 1 July 2023 to 30 June 2024 is summarised below:

Director	Board Meetings	
	Attended	Held
Robert Baker	12	12
Craig Davies	12	12
Peter Hill	12	12

Following the appointment of Craig Davies as an Executive Director in September 2023, the responsibilities of the former Audit & Risk Committee were assumed by the full Board.

Indemnification and Insurance for Directors and Officers

During the year, the Company paid insurance in respect of a contract insuring all of the Directors and executive officers of the Group against a liability incurred in their role as Directors and officers of the Group (amount paid, net of GST, \$32,957), except where:

- the liability arises out of conduct involving a wilful breach of duty; or
- there has been a contravention of Sections 182 or 183 of the Corporations Act 2001.

Options & Performance Rights

At the date of this report, the unissued ordinary shares of Gathid Ltd under the Employee Share Performance Right Plan are as follows:

Grant Date	Tranche	Date of Vesting	Exercise Price	# Performance Rights	Expiry Date
28-Feb-2020	A (FY20)	30-Sep-2020	\$0.00	260,772	30-Sep-30
28-Feb-2020	B (FY21)	30-Sep-2021	\$0.00	779,850	30-Sep-31
29-Oct-2021	C (FY22)	30-Sep-2022	\$0.00	560,411	30-Sep-32
29-Oct-2021	C (FY23)	30-Sep-2023	\$0.00	72,289	30-Sep-33

Performance Rights holders do not have any rights to participate in any issues of shares or other interests of the Company or any other entity. For details of performance rights issued to directors and executives as remuneration, refer to the Remuneration Report.

Proceedings on Behalf of the Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

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 thousand dollars, or in certain cases, the nearest dollar.

Non-audit Services

No non-audit services were provided by BDO Audit Pty Ltd to the Company during the period.

Environmental Issues

The Group's operations are not subject to any significant environmental regulations in the countries where it operates. The Group recognises its Environment, Social and Governance (ESG) responsibilities and will be working towards undertaking ESG related initiatives in future periods.

Remuneration Report

Remuneration Report (Audited)

Remuneration Policy

The remuneration policy of Gathid Ltd has been designed to align key management personnel (KMP) objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific equity incentives based on retention and key performance areas affecting the Consolidated Group's financial results.

The Board of Gathid Ltd believes the remuneration policy to be appropriate and effective in its ability to attract and retain high-quality KMP to run and manage the Consolidated Group, as well as create goal congruence between directors, executives, and shareholders.

The Board's policy for determining the nature and amount of remuneration for KMP of the consolidated Group is as follows:

- All executive KMP receive a base salary (which is based on factors such as industry remuneration levels, length of service and experience), superannuation and if included in their agreed salary package, an opportunity to earn a specific performance-based cash bonus. In future years, KMP may receive additional fringe benefits, cash bonuses, options, and performance incentives.
- Performance incentives will generally only be paid once predetermined key performance indicators (KPIs) have been met. Non-executive Directors do not receive performance incentives.
- Incentives paid in the form of options or rights are intended to align the interests of the Executive KMP with those of the shareholders. In this regard, executive KMP are prohibited from limiting risk attached to those instruments by use of derivatives or other means. It is not envisaged that Non-executive KMP will receive incentives in the form of options or performance rights

The Board reviews KMP packages annually by reference to the Consolidated Group's performance, executive performance, and comparable information from industry sectors.

The performance of executive KMP is measured against criteria agreed annually with each executive and is based predominantly on the forecast improvement in the Consolidated Group's performance or value. All bonuses and incentives must be linked to predetermined performance or value criteria. The Board may, however, exercise its discretion in relation to approving incentives, bonuses, and options. Any change must be justified by reference to measurable criteria. The policy is designed to attract the highest calibre of executives and reward them for performance results leading to long-term growth in shareholder wealth.

KMP based in Australia receive, at a minimum, a superannuation guarantee contribution required by the Australian government, which increased to 11.5% of the individual's average weekly ordinary time earnings (AWOTE) during the reporting period. Some individuals, however, have chosen to sacrifice part of their salary to increase payments towards superannuation. KMP do not receive any other retirement benefits. Upon retirement, KMP are paid employee benefit entitlements accrued to the date of retirement. Any options not exercised, or performance rights not vested before or on the date of termination will lapse.

All remuneration paid to KMP is valued at the cost to the Company and expensed.

The Board's policy is to remunerate non-executive directors at market rates for time, commitment, and responsibilities. The Board will determine payments to the non-executive directors and reviews their remuneration annually, based on market practice, duties, and accountability. The maximum aggregate amount of fees that can be paid to non-executive directors remains unchanged since the Initial Public Offering in 2017 and is set at \$225,000. Any change to this amount is subject to approval by shareholders at an annual general meeting. Remuneration for non-executive directors in FY24 remained at FY23 levels.

Options and performance rights granted as part of remuneration to KMPs do not carry dividend or voting rights. Each option or performance right is entitled to be converted into one ordinary share once the vesting conditions have been met. Option and performance right value is measured using the Black-Scholes methodology.

KMP or closely related parties of KMP are prohibited from entering into hedge arrangements that would have the effect of limiting the risk exposure relating to their remuneration. In addition, the Board's remuneration policy prohibits directors and KMP from using Gathid Ltd shares as collateral in any financial transaction, including margin loan arrangements.

Performance-based Remuneration

KPIs are set annually, with a certain level of consultation with KMP. The measures can be specifically tailored to the area each individual is involved in and has a level of control over. The KPIs target areas the Board believes hold greater potential for Group expansion and profit, covering financial and non-financial as well as short and long-term goals. The level set for each KPI is based on budgeted figures for the Group and respective industry standards.

Performance in relation to the KPIs will be assessed annually, with bonuses being awarded depending on the number and deemed difficulty of the KPIs achieved. Following the assessment, the KPIs will be reviewed by the Board considering the desired and actual outcomes, and their efficiency will be assessed in relation to the Group's goals and shareholder wealth, before the KPIs are set for the following year.

In determining whether a KPI has been achieved the Board will base the assessment on audited figures where appropriate; however, where the KPI involves comparison of the Group, or a division within the Group, to the market, or involves a non-financial statement measure, independent reports will be obtained from external organisations if required.

Relationship between Remuneration Policy and Company Performance

The remuneration policy has been tailored to increase goal congruence between shareholders, directors, and executives. The Company's Director and KMP remuneration has been based on Group performance over the current and comparative financial periods. As part of the changes brought about by the listing of Gathid, the following policy items were applied to achieve the aim of increased shareholder and management goal congruence: (i) performance-based bonus based on KPIs, (ii) the issue of options to executives to encourage the alignment of personal and shareholder interests, and (iii) the issue of performance rights to employees to encourage retention and alignment of personal effort to shareholder interests.

The following table shows the gross revenue, profit / (loss) for the last 5 years for the combined group operations. Over recent years the Group has been primarily managed as a research and development company while transforming into a commercial operation. All research and development expenditure is expensed as incurred.

AUD (\$)	FY20 combined group	FY21 combined group	FY22 combined group	FY23 combined group	FY24 combined group
Net Profit (Loss)	(6,785,888)	(4,663,370)	(14,938,806)	(9,381,539)	4,312,075
Earnings / (Loss) per Share	(0.03)	(0.02)	(0.06)	(0.005)	0.035
Share Price (30-Jun)	0.17	0.335	0.043	0.012	0.018

The Board acknowledges that the Group is only in the early stages of its plan to commercialise the Gathid software platform. For that reason, no bonus or incentive rewards were awarded to the Managing Director in the current or previous financial year.

The Managing Director is the Company's largest shareholder, creating a strong alignment to shareholder's interests.

Employment Details of Members of Key Management Personnel

The following table provides employment details of persons who were, **during the financial year**, members of KMP of the Consolidated Group. The table also illustrates the proportion of remuneration that was performance and non-performance based.

Group KMP	KMP Type	Position Held at 30-June	Contract Tenure	Performance Based		Fixed Remuneration (%)
				Non salary cash-based incentives (%)	Options / Performance Rights (%)	
Peter Hill	Executive	CEO / Managing Director	20 Years	-	-	100
Leslie Milne	Executive	CFO	1 Year	12	-	88
Robert Baker	Non-Executive	Non-Executive Chairman	7 Years	-	-	100
Craig Davies	Non-Executive 1/7/23 to 31/8/23 Executive 1/9/23 to date	Executive Director and CISO	5 Years	-	-	100

The employment terms and conditions of all KMP are formalised in contracts of employment. Contracts of Employment can be terminated by the employee, or the Group as follows:

- CEO / Managing Director on giving six months' notice.
- Directors are appointed to act between AGMs of the Company as per the Constitution.
- CFO on giving three months' notice.
- Executive Director & CISO on giving three months' notice.

Employment Contracts

CEO / Managing Director:

The Company has entered into an employment contract with Mr Peter Hill. The key terms of the contract are:

- Remuneration is outlined in the contract of employment at \$228,311 per annum plus statutory superannuation contributions; and
- 4 weeks annual leave per annum

Chief Financial Officer:

The Company has an employment contract with Mr Leslie Milne. The key terms of the contract are:

- Salary of \$200,000 per annum plus statutory superannuation contributions; and
- 4 weeks annual leave per annum; and
- Up to \$35,000 cash bonus per annum, subject to the Group meeting its ASX and taxation compliance obligations in full and on time in each quarter.

Chief Information Security Officer (CISO) & Executive Director from September 2023

The Company has an employment contract with Mr Craig Davies. The key terms of the contract are:

- Salary of \$114,155 per annum plus statutory superannuation contributions; and
- 4 weeks annual leave per annum; and
- A signing-on bonus of \$65,000

Prior to this change in appointment Mr Davies was a non-executive Director with remuneration of \$39,452 per annum plus superannuation.

Non-Executive Chairman:

The Company has entered into a Directors Agreement with Mr Robert Baker. The key terms are set out in the Appointment letter effective 6 August 2017. His base salary is \$64,800 plus statutory superannuation contributions.

Remuneration Expense Details for the Year Ended 30 June 2024

The following table of benefits and payments represents the components of the current year and comparative year remuneration expenses for each member of KMP of the Consolidated Group. Amounts have been calculated in accordance with Australian Accounting Standards.

Group KMP (\$)	FY	Short-term benefits		Post-employment benefits / Long-term benefits			TOTAL	% Performance related
		Salary, fees and leave	Bonuses	Pension & Super	Share based payment	LSL		
Peter Hill	FY24	235,426	-	25,114	-	5,674	266,214	-
	FY23	228,311	-	23,973	-	3,805	256,088	-
Leslie Milne	FY24	203,112	30,288	24,966	-	-	258,366	12%
	FY23	18,974	-	1,992	-	-	20,966	-
Robert Baker	FY24	64,800	-	7,127	-	-	71,927	-
	FY23	64,800	-	6,804	-	-	71,604	-
Craig Davies	FY24	100,564	65,000	17,653	-	-	183,217	-
	FY23	39,452	-	4,143	-	-	43,595	-
James Stewart	FY24	-	-	-	-	-	-	-
	FY23	193,906	35,000	22,790	2,160	-	253,856	14%
TOTAL KMP	2024	603,901	95,288	74,860	-	5,674	779,724	4%
	2023	526,469	35,000	57,710	2,160	3,805	625,143	6%

Securities Received that are not Performance-related

No members of KMP are entitled to receive securities that are not performance or retention based as part of their remuneration package.

Performance related bonuses and share-based payments

Cash bonuses granted as compensation

During the financial year ended 30 June 2024 the Group granted no cash bonuses to its non-executive KMP.

Craig Davies was paid a bonus of \$65,000 as part of his revised remuneration package as he became Executive Director and Chief Information Security Officer.

Leslie Milne was paid a bonus of \$35,000 based on the Group meeting all of its statutory and legal compliance requirements as set out in his contract of employment in relation to year ended 30 June 2024.

Performance Rights over equity Instruments granted as compensation

During the financial year ended 30 June 2024 the Group granted no share-based payments to its non-executive KMP or CEO.

In the prior year of FY23, the Company had not issued any options nor performance rights to KMP.

Details on rights and options over ordinary shares in the Company that were granted as compensation to executive KMP in prior reporting periods are as follows:

KMP	Tranche	Number of rights granted during FY22	Vesting condition	Grant date	Fair Value @ grant date	Vesting Date	Expiry date
James Stewart	C (FY22)	600,000	Achieving revenue and net income targets for FY22 & in employment at vesting	29-Oct-21	\$156,000	30-Sep-22	30-Sep-32
	C (FY23)	300,000	Achieving revenue and net income targets for FY23 & in employment at vesting	29-Oct-21	\$78,000	30-Sep-23	30-Sep-33

KMP Shareholdings

The number of ordinary shares in Gathid Ltd held by each KMP of the Group during the financial year is as follows:

KMP	Balance at beginning of Year	Changes during the Year	Balance at End of Year
Peter Hill ³	53,907,428	-	53,907,428
Robert Baker	433,333	-	433,333
Craig Davies ⁴	104,166	100,000	204,166
Leslie Milne	-	-	-

Changes in this year relate to purchase of shares.

Loans to/from KMP

No loans were provided to / from KMP in the current reporting period.

Other Transactions with KMP and/or their Related Parties

Apart from key management personnel transactions disclosed above, and the month-to-month lease for the company's office at Burleigh Heads from September 2023 to May 2024 with The Prosper Trust (partially owned by Peter Hill) there were no other related party transactions

³ Indirect interest through CNI Pty Ltd <RIGHT CROWD A/C>

⁴ Indirect interest through JAUNE ROSE PTY LTD <DAVIES FAMILY TRUST>

occurring during the year. Amounts paid during this financial year totalled \$79,200, exclusive of GST. No amounts are payable to or receivable from related parties at year end.

There were no other transactions conducted between the Group and KMP or their related parties, apart from those disclosed above relating to equity, compensation, and loans, that were conducted other than in accordance with normal employee, customer or supplier relationships on terms no more favourable than those reasonably expected under arm's length dealings with unrelated persons.

End of remuneration report (Audited)

This directors' report, incorporating the remuneration report, is signed in accordance with a resolution of the Board of Directors:



Peter Hill

CEO

Date: 30 October 2024

DECLARATION OF INDEPENDENCE BY CAMERON HENRY TO THE DIRECTORS OF GATHID LIMITED

As lead auditor of Gathid Limited for the year ended 30 June 2024, 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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



Cameron Henry

Director

BDO Audit Pty Ltd

Brisbane, 31 October 2024

Financial Report

Consolidated statement of profit or loss and other comprehensive income

For the year ended 30 June 2024

Continuing operations	Note	30 June 2024 (\$)	30 June 2023 (\$)*
Revenue from contracts with customers	9	643,933	371,259
Other income	10	524,823	443,881
Cost of sales		(115,886)	(46,224)
Employee benefits expense		(2,494,374)	(1,638,761)
Depreciation and amortisation expense		-	(39,626)
Finance costs		(64,358)	(5,510)
Foreign currency gain /(loss)		(186,871)	(9,875)
Other expenses		(1,700,396)	(358,327)
Loss before income tax from continuing operations		(3,393,129)	(1,236,959)
Income tax expense	11	-	(2,542)
Net loss for the year from continuing operations		(3,393,129)	(1,239,501)
(Loss) after income tax from discontinued operations	13	(1,633,131)	(2,594,003)
Gain on sale of discontinued business	13	9,338,334	-
Impairment expense on discontinued operation	13	-	(5,548,035)
Profit / (Loss) after income tax attributable from operations		4,312,074	(9,381,539)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translating foreign operations		444,052	470,959
Total other comprehensive income for the year		444,052	470,959
Total comprehensive profit / (loss) for the year		4,756,126	(8,910,580)
Earnings per share for loss from continuing operations attributable to ordinary equity holders of the Company			
Basic and diluted earnings per share	12	(0.013)	(0.005)
Earnings per share for loss from discontinued operations attributable to ordinary equity holders of the Company			
Basic and diluted earnings per share	12	0.035	(0.031)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes. *re-presented for discontinued operations. Refer to note 13 for information.

Consolidated statement of financial position as at 30 June 2024

	Note	30 June 2024 (\$)	30 June 2023 (\$)
ASSETS			
Cash and cash equivalents	15	7,442,526	192,351
Trade and other receivables	16	1,170,711	657,874
Other assets		-	46,978
Assets classified as held for sale	13	-	10,162,204
TOTAL CURRENT ASSETS		8,613,237	11,059,407
Property, plant and equipment		9,167	59,784
TOTAL NON-CURRENT ASSETS		9,167	59,784
TOTAL ASSETS		8,622,404	11,119,191
LIABILITIES			
Trade and other payables	17	194,376	49,576
Borrowings		-	232,823
Contract liabilities	9(C)	436,457	375,000
Liabilities relating to assets held for sale	13	-	7,306,139
Tax liabilities	17	49,420	-
Provisions	18	372,162	311,000
Other liabilities		220,536	-
TOTAL CURRENT LIABILITIES		1,272,952	8,274,538
Borrowings		-	74,000
Provisions	18	53,477	33,000
TOTAL NON-CURRENT LIABILITIES		53,477	107,000
TOTAL LIABILITIES		1,326,428	8,381,538
NET ASSETS		7,295,976	2,737,653
EQUITY			
Issued capital		56,440,603	56,133,457
Reserves		33,323	1,077,918
Accumulated losses		(49,177,951)	(54,473,722)
TOTAL EQUITY		7,295,976	2,737,653

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

Consolidated statement of changes in equity

For the year ended 30 June 2024

	Note	Issued capital (\$'000)	Accumulated losses (\$'000)	Foreign currency translation reserve (\$'000)	Share based payment reserve (\$'000)	Total (\$'000)
Balance at 1 July 2023		56,133,457	(54,473,222)	(663,014)	1,740,982	2,737,653
Comprehensive income for the year						
(Loss) for the year – continuing operation		-	(3,393,129)	-	-	(3,393,129)
(Loss) for the year relating to discontinued operations		-	(1,633,131)	-	-	(1,633,131)
Gain on sale of discontinued business		-	9,338,334	-	-	9,338,334
Other comprehensive income		-	-	444,052	-	444,052
Total comprehensive income for the period		-	4,312,074	444,052	-	4,756,126
Transactions with owners in their capacity as owners						
Shares issued for exercised options		307,146	-	-	(307,146)	-
Share options and performance rights reserve adjusted		-	970,197	-	(970,197)	-
Share options and performance rights expensed during the year		-	-	-	(211,354)	(211,354)
Total transactions with owners in their capacity as owners		307,146	970,197	-	(1,489)	(211,354)
Balance at 30 June 2024		56,440,603	(49,177,951)	(218,962)	252,285	7,295,976

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

Consolidated statement of changes in equity

For the year ended 30 June 2023

	Note	Issued capital (\$'000)	Accumulated losses (\$'000)	Foreign currency translation reserve (\$'000)	Share based payment reserve (\$'000)	Total (\$'000)
Balance at 30 June 2022		56,133,457	(45,092,233)	(1,133,973)	1,237,325	11,144,576
Comprehensive income for the year						
(Loss) for the year - continuing		-	(1,239,501)	-	-	(1,239,501)
(Loss) for the year - discontinued		-	(8,142,038)	-	-	(8,142,038)
Other comprehensive income		-	-	470,959	-	470,959
Total comprehensive income for the year		-	(9,381,539)	470,959	-	(8,910,580)
Transactions with owners in their capacity as owners						
Issue of ordinary shares		-	-	-	-	-
Share options and performance rights expensed during the year		-	-	-	503,657	503,657
Total transactions with owners in their capacity as owners		-	-	-	503,657	503,657
Balance at 30 June 2023		56,133,457	(54,473,722)	(663,014)	1,740,982	2,737,653

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

Consolidated statement of cash flows

For the year ended 30 June 2024

Continuing operations	Note	30 June 2024 (\$)	30 June 2023 (\$)
Cash flows from operating activities			
Cash receipts from customers		672,610	478,614
Cash payments to suppliers and employees		(4,920,205)	(1,951,120)
Finance costs		(56)	(1,829)
Interest received		314,930	1,581
Grant income received		-	365,000
Net cash (used in) from operating activities - continuing operations	27	(3,932,721)	(1,107,754)
Net cash (used in) from operating activities - discontinued operations	13	(557,765)	(1,603,300)
Total net cash (used in) from operating activities		(4,490,486)	(2,711,054)
Cash flows from investing activities			
Purchase of property, plant and equipment		(10,064)	(3,230)
Proceeds of Sale of business		13,500,000	-
Proceeds from sale of property		119,769	-
Cash retained by divested subsidiaries		(1,114,449)	-
Transaction costs		(1,259,885)	-
Net cash (used in) from investing activities - continuing operations		11,235,371	(3,230)
Net cash (used in) from investing activities - discontinued operations	13	-	(29,068)
Total net cash (used in) from investing activities		11,235,371	(32,298)
Cash flows from financing activities			
Proceeds from borrowings		-	1,400,000
Repayment of borrowings		(1,477,433)	(30,602)
Repayment of lease liabilities		(78,726)	(68,606)
Net cash (used in) from financing activities - continuing operations		(1,556,159)	1,300,792
Net cash (used in) from financing activities - discontinued operations	13	(219,825)	(945,090)
Total net cash (used in) from financing activities		(1,775,984)	355,207
Net increase (decrease) in cash and cash equivalents - continuing operations			
		5,746,491	189,313
Cash and cash equivalents at 1 July			
		2,413,018	4,683,980
Effect of exchange rate fluctuations on cash held		60,607	116,014
Cash flows from discontinued operations		(777,590)	(2,576,289)
Cash and cash equivalents at 30 June	15	7,442,526	2,413,018

For cash flows of discontinued operations, see note 13.

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

Notes to the Consolidated Financial Statements

Notes to the consolidated financial statements

1. Reporting entity

Gathid Ltd (formerly RightCrowd Limited) (the “Company”) is a company domiciled in Australia. These consolidated financial statements comprise the Company and its subsidiaries (together referred to as the “Group”). The Group is a for-profit entity and is primarily involved in the development and sale of identity governance software.

2. Basis of preparation

These consolidated financial statements are general purpose financial statements prepared in accordance with Australian Accounting Standards adopted by the Australian Accounting Standards Board and the *Corporations Act 2001*. The consolidated financial statements comply with International Financial Reporting Standards adopted by the International Accounting Standards Board. They were authorised for issue by the Board of Directors on 30 October 2024.

3. Accounting policies

Details of the Group’s accounting policies are included throughout the notes to the financial statements.

4. Functional and presentation currency and rounding of amounts

These consolidated financial statements are presented in Australian Dollars which is the Company’s functional currency.

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.

5. Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements and estimates that affect the application of the Group’s accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Significant judgements and estimates are outlined in note 7 to these financial statements.

Notes to the consolidated financial statements

6. Summary of material accounting policies

a.) Basis of consolidation

i. Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

ii. Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

iii. Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains and losses) arising from intra-group transactions, are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b.) Foreign currency

i. Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented as a foreign currency gain / (loss).

ii. Foreign operations

The assets and liabilities of foreign operations, including goodwill, are translated into \$AUD at the prevailing exchange rates at the reporting date. The income and expenses of foreign operations are translated into \$AUD at the prevailing exchange rates at the dates of the transactions.

Notes to the consolidated financial statements

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign currency translation reserve in equity. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is reclassified to profit or loss.

c.) Revenue from contracts with customers

The Group is in the business of development and sale of its patented digital identity and access modelling software solution. The major sources of revenue from contracts with customers are:

i. Subscription software / Software as a service (SaaS)

The Group considers that the term contracts relating to software services provided to customers via a cloud environment represents a right to access license for the duration of the contract term.

Revenue is invoiced in full for the defined contract period and is booked as a deferred revenue liability and amortised to the profit or loss over the period of the contract as the service is provided to the customer.

ii. Consulting Services

The Group supports the delivery and implementation of customer software with services provided by its professional services team. Customer contracts include an implementation / configuration element and this is normally delivered in the first month of the subscription and revenue taken at that point in time.

iii. Multiple performance obligations in a contract

When there are multiple performance obligations in a contract, the Group uses the stand-alone selling price for each performance obligation to allocate the transaction price to the performance obligations. Stand-alone selling price is the price for when these products and services are sold in separate agreements.

iv. Contract assets and contract liabilities

Contract liabilities relate to funds received from customers in advance of the Group fulfilling its performance obligations under the relevant contract.

Contract assets are only recognised when the Group has a right to consideration under the contract but has not yet invoiced the customer.

v. Contract costs

Incremental costs incurred to obtain a contract are expensed when incurred. The incremental costs relate to commissions paid to employees for obtaining new contracts.

Costs incurred in fulfilling a contract are expensed when incurred.

vi. Practical expedient

The Group has applied the practical expedient contained in AASB 15 and not disclosed the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partly satisfied) at the end of the reporting period on the basis that the performance obligations involved are associated with contracts having an expected duration of one year or less.

Notes to the consolidated financial statements

d.) Employee benefits

i. Short-term employee benefits

Short term employee benefits are expensed as the related services is provided. Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

ii. Share-based payment arrangements

The grant-date fair value of equity settled share-based payment arrangements granted to employees is recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at vesting date.

iii. Defined contribution plans

Obligations for defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iv. Other long-term employee benefits

The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows. Remeasurements are recognised in profit or loss in the period in which they arise.

e.) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

The Group has accrued government grants in the current year in relation to the Australian Government Research and Development Scheme and in previous years for the Cyber Security Skills Partnership Innovation Fund.

i. Research and development refund

Each year, the Group submits a claim to the Australian Taxation Office for the research and development refund. The refund is calculated based on an estimate of the proportion of costs incurred by the Group in respect of ongoing research and development activities. The amount receivable is included in other income each period given the Group has been successful in all claims

Notes to the consolidated financial statements

submitted in past years and the receipt of the grant is therefore considered highly likely. The terms and conditions of the Research and Development grant require the Group to have incurred expenditure connected to eligible research and development activities as defined by the Australian Taxation Office.

f.) Finance income and finance costs

The Group's finance income and finance costs include:

- Interest income;
- Interest expense;
- The foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- The gross carrying amount of the financial asset; or
- The amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

g.) Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the profit or loss.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;

Notes to the consolidated financial statements

- Temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

(iii) Offsetting

The Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

h. Share capital

i. Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with note 6g to these financial statements.

7. Use of judgements and estimates

The following key judgements and estimates have been used in the preparation of these consolidated financial statements.

i. Government grants

Significant judgements and estimates have been applied in the current year in respect of government grants received as follows:

- Recognition of the Research and Development tax offset receivable and related income on the basis that the Group has met the requirements for eligible activities and expenses which

Notes to the consolidated financial statements

are claimable in accordance with Australian Taxation Office guidance and is reasonably certain that this will be received and will not require repayment in a future period; and

- Grant funding received via the Cyber Security Skills Partnership Innovation Fund was recognised upon funds receipt, reflecting the completion of pre-agreed milestones that trigger release of funding. Participation in this program ceased in FY23.

ii. Proceeds from sale of RightCrowd physical access business

On 30 June 2023, the Company entered into a Share Purchase Agreement with Bloom RC Holdings Inc. Under the terms of the Agreement the Company sold 100% of the issued share capital of RightCrowd Software Pty Ltd and RightCrowd NV for a purchase price of \$13,500,000 adjusted for amounts specified in the Agreement. The final consideration is in dispute and remains in dispute notwithstanding receipt of an Expert Determination. The outcome of the dispute is not able to be reliably estimated at the date of these financial statements. Therefore, sales proceeds recognised in these financial statements reflect cash received to date

8. Accounting Standards issued but not yet effective

There are no Standards that have been issued but not yet effective that will have a material impact on the Group's financial statements in future periods.

9. Revenue

A. Revenue from contracts with customers

The following table shows revenue earned from each of the material revenue streams of the Continuing operation:

	30 June 2024 (\$)	30 June 2023 (\$)
Subscription software / Software as a Service	604,594	279,986
Consulting	39,339	91,273
Total: Revenue from Continuing operations	643,933	371,259
Revenue from Discontinued operations	3,529,675	15,315,196

Notes to the consolidated financial statements

B. Disaggregation of revenue from contracts with customers

In the following table, revenue is disaggregated by service/product line and timing of revenue recognition and shown as \$'000. The table also includes a reconciliation between the disaggregated revenue with the Group's reportable segments. For the discontinued operations, revenue is only included to the date of the completion of the transaction.

	Discontinued operations				Continuing operations		Total (\$)	
	Workforce Management (\$)		Presence Control (\$)		Gathid Software (\$)			
	21-Sep-23	30-Jun-23	21-Sep-23	30-Jun-23	30-Jun-24	30-Jun-23	30-Jun-24	30-Jun-23
<i>Revenue by service line</i>								
Perpetual Software	32,300	557,402	-	-	-	-	32,300	557,402
Subscription software and support and maintenance	1,396,109	9,427,478	-	2,291	-	148,344	1,396,109	9,578,113
Consulting	939,241	3,639,808	-	-	39,339	91,318	978,580	3,731,126
Software as a service	1,079,203	-	79,636	1,549,655	604,594	131,596	1,763,433	1,681,297
Presence control hardware	1,060	-	2,126	138,121	-	-	3,186	138,121
Total	3,447,913	13,624,688	81,762	1,690,067	643,933	371,259	4,173,608	15,686,455
<i>Timing of recognition</i>								
Point in time recognition	971,541	4,197,606	2,126	138,121	39,339	91,318	1,013,006	4,427,045
Over time recognition	2,476,372	9,427,082	79,636	1,551,946	604,594	279,941	3,160,602	11,259,410
Total:	3,447,913	13,624,688	81,762	1,690,067	643,933	371,259	4,173,608	15,686,455

Notes to the consolidated financial statements

C. Contract balances

The following table provides information about receivables and contract liabilities from contracts with customers:

	30 June 2024 (\$)	30 June 2023 (\$)
Receivables, which are included in 'trade and other receivables'	57,225	213,993
Contract liabilities	(436,457)	(375,000)
Net contract balances:	(379,232)	(161,007)

Contract liabilities relate to invoices raised in respect of software as a service revenue, for which the related performance obligations under the contracts have not been met as at year end. The performance obligations will be satisfied over the underlying contract periods, which are typically over a period of 12 months.

10. Other income

	30 June 2024 (\$)	30 June 2023 (\$)
Research and development grant	210,000	443,881
Interest Income	314,823	-
Total:	524,823	443,881

11. Income taxes

A. Amounts recognised directly in profit or loss

	30 June 2024 (\$)	30 June 2023 (\$)
Current tax expense	-	38,957

B. Reconciliation of effective tax rate

	30 June 2024 (\$)	30 June 2023 (\$)
(Loss) before income tax - combined	-	(9,381,539)
(Loss) - Continuing operation	(3,393,129)	-
(Loss) re-tax - discontinued operation	(1,531,870)	-
Gain on sale of discontinued operation	9,338,334	-
Profit / (loss) for tax computation	4,413,335	(9,381,539)
Prima facie tax payable using the Company's domestic tax rate of 25% (30 June 2023: 25%)	1,103,334	(2,335,010)
Tax effect of:		
- Non-deductible expenses	25	361,965
- Sale Proceeds & Costs of Sale from discontinued operations	(1,912,043)	-
- CFC Income not included in TCG	51,919	-

Notes to the consolidated financial statements

	30 June 2024 (\$)	30 June 2023 (\$)
- Share Based payment income	(52,005)	-
- S23AH NANE Income	(15,665)	-
- Impairment of Goodwill		952,011
- Net impact of R & D refund	(58,007)	1,061,517
- Tax payable by foreign subsidiaries		38,957
-		
Deferred Tax assets not recognised as recoverability criteria not met	882,442	(40,482)
Income tax expense combined operations	-	38,957
Income tax is attributable to:		
Continuing operations	-	2,542
Discontinued operations – Note 13	-	36,415
	-	38,957

C. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom.

	30 June 2024 (\$)	30 June 2023 (\$)
Deductible temporary differences	116,615	422,285
Tax losses	3,889,079	2,700,966
Foreign Deferred tax assets	-	-
Total deferred tax assets not brought to account	4,005,693	3,123,966

12. Loss per share

A. Basic and dilutive loss per share

i. Profit (loss) attributable to ordinary shareholders (basic and dilutive)

The calculation of basic loss per share has been based on the following profit attributable to ordinary shareholders and weighted number of ordinary shares outstanding.

	30 June 2024 (\$)	30 June 2023 (\$)
(Loss) for the year for continuing operations, attributable to owners of the Company (basic and dilutive earnings per share)	(3,393,129)	(1,239,501)
(Loss) for the year for discontinued operations, attributable to the owners of the Company	(1,633,131)	(8,142,038)
Gain on sale of discontinued operations	9,338,334	-

Notes to the consolidated financial statements

ii. Weighted-average number of ordinary shares (basic and dilutive)

	30 June 2024	30 June 2023
Opening Balance	263,191,816	261,385,289
Weighted Average effect of share placements	-	-
Weighted Average effect of performance rights exercised	178,511	720,380
Weighted average # of ordinary shares for period	263,370,327	262,105,669

13. Discontinued operations

Description

On 30 June 2023, the Company entered into a Share Purchase Agreement with Bloom RC Holdings Inc. Under the terms of the Agreement the Company sold 100% of the issued share capital of RightCrowd Software Pty Ltd and RightCrowd NV for a purchase price of \$13,500,000 adjusted for amounts specified in the Agreement. These two companies, and their subsidiaries, operated the Company's Workforce Access, Visitor Management and Presence Control businesses. The consideration amount may be reduced by Net Debt, Transaction costs and other items specified in the Agreement. The final consideration is in dispute and remains in dispute notwithstanding receipt of an Expert Determination. The outcome of the dispute is not able to be reliably estimated at the date of these financial statements and as a result no adjustment has been made to the financial statements

The Group has retained the SaaS-based earlier-stage, Gathid Software (formerly Access Analytics) to focus on the rapidly growing, global Identity Governance and Cyber Security markets.

Financial performance information of the Discontinued businesses

	30 June 2024 (\$)	30 June 2023 (\$)
Revenue from contracts with customers	3,529,675	15,315,196
Other income	764,366	2,660,888
Cost of goods sold	(73,789)	(437,060)
Employee benefits expense	(3,576,681)	(15,630,520)
Depreciation and amortisation expense	(223,960)	(935,834)
Finance costs	(22,473)	(130,787)
Foreign currency gain /(loss)	110,620	(94,186)
Transaction costs on sale	(1,389,110)	
Other expenses	(650,518)	(3,302,742)
Loss before income tax	(1,531,870)	(2,555,045)
Income tax expense	(101,261)	(36,417)
Loss after income tax	(1,633,131)	(2,591,462)

Notes to the consolidated financial statements

Impairment expense on discontinued operations	-	(5,548,035)
Net loss for the year	(1,633,131)	(8,139,497)

In FY23, assets in the discontinued operations were impaired by \$5,548k reflecting impairment provisions for the investment in, and inventory of the Presence Control part of the discontinued business

Cash flow information

	21 September 2023 (\$)	30 June 2023 (\$)
Cash flow from discontinued operations		
Net cash (used in) from operating activities	(557,765)	(1,603,300)
Net cash (used in) from investing activities	-	(29,068)
Net cash (used in) from financing activities	(219,825)	(945,090)
Net cash (used in) discontinued operations	(777,590)	(2,577,459)
Foreign exchange differences	48,738	116,014

Carrying amounts of assets and liabilities held for sale at 30 June 2023

	30 June 2023 (\$)
ASSETS	
Cash and cash equivalents	2,220,667
Trade and other receivables	4,749,568
Inventories	789,603
Short term deposits	5,320
Other assets	286,357
TOTAL CURRENT ASSETS	8,051,515
Property, plant and equipment	1,342,409
Other intangible assets	768,280
TOTAL NON-CURRENT ASSETS	2,110,689
TOTAL ASSETS	10,162,204
LIABILITIES	
Trade and other payables	(739,283)
Borrowings	(2,370,631)
Contract liabilities	(2,684,475)
Tax liabilities	2,022
Provisions	(1,440,072)
TOTAL CURRENT LIABILITIES	(7,232,439)
Provisions	(74,000)
TOTAL NON-CURRENT LIABILITIES	(74,000)
TOTAL LIABILITIES	(7,306,439)
NET ASSETS	2,855,765

Notes to the consolidated financial statements

Carrying value of assets and liabilities divested:

The carrying amounts of assets and liabilities as at the date of sale (21 September 2023) were:

	21 September 2023 \$
ASSETS	
CURRENT ASSETS	
Cash and cash equivalents	998,046
Trade and other receivables	5,068,377
Inventories	797,656
Other assets	301,060
TOTAL CURRENT ASSETS	7,165,140
NON-CURRENT ASSETS	
Property, plant and equipment	1,263,985
Other intangible assets	711,146
TOTAL NON-CURRENT ASSETS	1,975,131
TOTAL ASSETS	9,140,271
LIABILITIES	
CURRENT LIABILITIES	
Trade and other payables	(527,932)
Borrowings	(514,853)
Contract liabilities	(2,179,568)
Provisions	(1,472,102)
TOTAL CURRENT LIABILITIES	(4,694,455)
NON-CURRENT LIABILITIES	
Borrowings	(539,586)
Provisions	(78,827)
TOTAL NON-CURRENT LIABILITIES	(618,413)
TOTAL LIABILITIES	(5,312,869)
NET ASSETS	3,827,402

Gain on sale after income tax:

	21 September 2023 \$
Cash received or receivable	13,500,000
Carrying amount of assets	9,140,271
Carrying value of liabilities	(5,312,869)

Notes to the consolidated financial statements

Gain on sale before income tax and reclassification of foreign currency translation reserve	9,672,598
Reclassification of foreign currency translation reserve	(334,114)
Income tax expense on gain	0
Gain on sale after income tax	9,338,483

Proceeds from disposal of entities, net of cash divested

	21 September 2023 \$
Cash receivable under the Agreement	13,500,000
<i>Contributed as follows:</i>	
- Settlement of borrowing on behalf of the Group (cash not received directly by the Group)	1,477,443
- Purchase price received as cash by the Group	12,022,557
	13,500,000
<i>Amount shown as investing activities:</i>	
- Purchase price received as cash by the Group	12,022,557
- Cash divested as part of the sale	(998,046)
Proceeds from disposal of entities, net of cash divested	11,024,511

The Cash and cash equivalents line in the table above for 30 June 2023, is an estimate of the total balance that should be allocated to the Discontinuing operation based on a similar estimate basis used for other accounts items. This is based on an appropriate headcount allocation. Under the purchase agreement with Bloom any cash net of debt borrowings, at the completion date will be adjusted against the initial purchase proceeds paid.

Accounting policy for discontinued operations

A discontinued operation is a component of the Company that is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single coordinated plan to dispose of such a line of business or area of operations. The results of discontinued operations are presented separately on the face of the statement of profit or loss and other comprehensive income.

14. Auditor's remuneration

Audit and review services

Auditor of the Group – BDO Audit Pty Ltd

	30 June 2024 (\$)	30 June 2023 (\$)
Audit and review of financial statements – Group	147,000	166,000
Audit and review of financial statements – Controlled entities*	-	35,074

Notes to the consolidated financial statements

Total:	147,000	201,074
---------------	----------------	----------------

* The audit of RightCrowd Europe, a controlled entity during FY23, was conducted by KPMG Belgium. No audit work was contracted outside Australian subsidiaries in FY24.

15. Cash and cash equivalents

	30 June 2024 (\$)	30 June 2023 (\$)
Bank balances	7,442,526	192,351
Total:	7,442,526	192,351
Bank balance - continuing operation	7,442,526	192,351
Bank balance - discontinued operations	-	2,220,667
Bank balance - combined operations	7,442,526	2,413,018

The Cash and cash equivalents line in the table above for 30 June 2023, is an estimate of the total balance that should be allocated to the Continuing operation based on a similar estimate basis used for other accounts items. This is based on an appropriate headcount allocation. Under the purchase agreement with Bloom any cash net of debt borrowings, at the completion date will be adjusted against the initial purchase proceeds paid by the Buyer.

16. Trade and other receivables

	30 June 2024 (\$)	30 June 2023 (\$)
Trade receivables arising from contracts with customers	57,225	213,993
Research and Development Grant receivable	653,881	443,881
Other receivables	459,605	-
Total:	1,170,711	657,874

Notes to the consolidated financial statements

17. Trade and other payables

	30 June 2024 (\$)	30 June 2023 (\$)
Trade payables	194,376	49,576
Current tax liabilities	49,420	-
Other liabilities	220,536	-
Total:	464,332	49,576

18. Provisions

Employee benefit liabilities

i. Current

	30 June 2024 (\$)	30 June 2023 (\$)
Provision for annual leave	274,746	211,911
Provision for long service leave	97,416	99,089
Total:	372,162	311,000

ii. Non-current

	30 June 2024 (\$)	30 June 2023 (\$)
Provision for long service leave	53,477	33,000
Total:	53,477	33,000

iii. Total provisions

	30 June 2024 (\$)	30 June 2023 (\$)
Current	373,128	311,000
Non-current	53,477	33,000
Total:	426,605	344,000

Notes to the consolidated financial statements

19. Capital and reserves

A. Ordinary share capital

The Company does not have authorised capital or par value in respect of its issued shares. Holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

	FY24 (no. of shares)	Value of shares FY24 (\$)	FY23 (no. of shares)	Value of shares FY23 (\$)
Opening Balance	263,191,816	3,158,302	261,385,389	11,239,567
Share issuance	-	-	-	-
Exercise of performance rights	333,025	3,996	1,806,527	21,678
Impact of changes in share price	-	1,581,149	-	(8,102,943)
Closing Balance	263,524,841	4,743,447	263,191,916	3,158,302

Details of share issues in the current and comparative period

- During the course of FY24, the Group issued 333,025 shares to eligible employees through exercise of performance rights under Tranches A, B and C of the Gathid (formerly RightCrowd) Long Term Incentive plan.
- During the course of FY23, the Group issued 1,806,527 shares to eligible employees through exercise of performance rights under Tranches A, B and C of the Gathid (formerly RightCrowd) Long Term Incentive plan.

B. Nature and Purpose of Reserves

i. Foreign currency translation reserve

The foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

ii. Share-based payment reserve

The share-based payment reserve is used to recognise the value of equity settled share-based payments.

20. Capital management

The board of directors control the capital of the Group. Given the Group's stage of development, the Board seeks to carry no debt, generate long-term shareholder value, and ensure the Group can fund its operations and continue as a going concern.

The Group's debt and capital include ordinary share capital and financial liabilities, supported by financial assets. The Group is not subject to any externally imposed capital requirements.

The board of directors manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and the market. These responses

Notes to the consolidated financial statements

include the management of cash at bank, minimisation of debt levels, consideration of equity fund raising options including capital placements and asset divestments.

The Group monitors capital using a ratio of 'net debt to equity'. Net debt is calculated as total borrowings less cash and cash equivalents. Borrowings include lease liabilities for Right of Use assets. Equity comprises total equity as shown in the statement of financial position. The Group's net debt to equity ratio is shown in the following table for the combined operations:

	30 June 2024 (\$)	30 June 2023 (\$)
Borrowings	-	(2,676,454)
Less: cash and cash equivalents	7,442,526	2,413,018
Net funds/(debt)	7,442,526	(263,436)
Total equity	7,295,976	2,737,353
Net debt to equity ratio	N/A	(0.10)

21. Financial instruments – Financial risk management

A. Accounting classifications

The following table shows the carrying amounts of financial assets and financial liabilities as at 30 June 2024. All the Group's financial instruments are measured at amortised cost. The Group does not have any financial assets or financial liabilities measured at fair value through profit or loss.

i. Financial assets at amortised cost:

	30 June 2024 (\$)	30 June 2023 (\$)
Cash and cash equivalents	7,442,526	192,351
Trade and other receivables	1,122,749	657,874
Total financial assets	8,565,275	850,225

ii. Financial liabilities at amortised cost:

	30 June 2024 (\$)	30 June 2023 (\$)
Trade and other payables	194,376	49,576
Borrowings	-	306,823
Other liabilities	220,536	-
Total financial liabilities	414,912	356,399

B. Financial risk management

i. Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

Notes to the consolidated financial statements

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks faced and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The board of directors oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

22. List of subsidiaries

Set out below is a list of material subsidiaries of the Group.

Parent entity	Name of Subsidiary	Principal place of business and country of incorporation	Ownership interest - 30 June 2024	Ownership interest - 30 June 2023
Gathid Ltd (formerly RightCrowd Limited)	Gathid Software Pty Ltd (formed 3 July 2023)	Australia	100%	N/A
	RightCrowd Software Pty Ltd (Divested 21 September 2023)	Australia	Nil	100%
	RightCrowd NV (Divested 21 September 2023)	Belgium	Nil	100%
	Offsite Vision Holdings Inc (Ceased operating FY23)	U.S.A.	100%	100%
RightCrowd Software Pty Ltd	RightCrowd Software Inc.	U.S.A.	Nil	100%
	RightCrowd Software Inc.	Philippines	Nil	100%
	RightCrowd Canada Inc.	Canada	Nil	100%
RightCrowd NV	RightCrowd Europe NV	Belgium	Nil	100%

Information about principal subsidiaries

The subsidiaries listed above have share capital consisting solely of ordinary shares, which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group. Where ownership is Nil, this subsidiary was divested through the sale of the physical security business to Bloom. There are no significant restrictions on the ability of Gathid Ltd (formerly RightCrowd Limited), the ultimate parent entity of the Group, to access or use the assets and settle the liabilities of the Group. No significant judgements or assumptions have been applied in

Notes to the consolidated financial statements

determining that control over a subsidiary exists given all subsidiaries are 100% owned. There are no non-controlling interests for any subsidiary in the 2024 or 2023 financial years.

Information about other entities

100% of the issued shares of Reporia Pty Ltd was acquired to bring the intellectual property of the Gathid Software (formerly 'RightCrowd Access Analytics') product into the Gathid (formerly RightCrowd) Group during the 2017 financial year. The Company is dormant and has no transactions or balances.

23. Share based payment arrangements

At 30 June 2024, the Group had the following share based payment arrangements:

- i. Gathid (formerly RightCrowd) Long term Incentive plan
The Gathid (formerly RightCrowd) long term incentive plan was implemented through the issue of performance rights to eligible employees. Each performance right was convertible to one ordinary share in the Company which only vested if certain performance conditions are met. The Performance Rights were granted under the plan for no consideration and carry no voting rights. The plan was split into four tranches. The performance targets attached to each Tranche are set out below:

Performance Target	Tranche A	Tranche B	Tranche C - FY22	Tranche C - FY23
Performance Period	Financial Year 2020	Financial Year 2021	Financial Year 2022	Financial Year 2023
Revenue	\$13.7 million	\$19.1 million	\$21.8 million	40% annual revenue growth
Net income	(\$7.8 million)	(\$2.4 million)	(\$3.5 million)	Profitable in FY23

Tranche A of the long-term incentive plan vested on 30 September 2020, whilst tranche B vested on 30 September 2021. Tranche C was granted during FY22 and began to vest in FY23.

For Tranche A and Tranche B non-market performance conditions relating to revenue and net income were not achieved, however the board of directors exercised their discretion as permitted under the plan and awarded employees a percentage of the total possible performance rights available. This was in recognition that the performance targets were set in a pre COVID19 environment and the Company was on track to achieve its targets prior to the delays in contract execution or milestone completion caused by COVID restrictions.

Set out below is a summary of performance rights granted under the plan for each Tranche and movements in rights from grant date to 30 June 2024.

	Tranche A	Tranche B	Tranche C - FY22	Tranche C - FY23
Performance rights outstanding on 1 July 2023	330,471	984,496	611,591	2,548,247
Awarded	-	-	-	-
Forfeited	-	-	-	2,468,458
Exercised	69,699	204,646	51,180	7,500

Notes to the consolidated financial statements

Total Performance rights outstanding on 30 June 2024	260,772	779,850	560,411	72,289
<i>Of which: Vested but not exercised</i>	<i>260,772</i>	<i>779,850</i>	<i>560,411</i>	<i>72,289</i>

30-June-2023	Tranche A	Tranche B	Tranche C - FY22	Tranche C - FY23
Performance rights outstanding on 1 July 2022	387,707	1,724,595	3,770,596	3,470,600
Awarded	-	-	-	-
Forfeited	-	-	2,149,813	922,353
Exercised	57,236	740,099	1,009,192	-
Total Performance rights outstanding on 30 June 2023	330,471	984,496	611,591	2,548,247
<i>Vested but not exercised</i>	<i>330,471</i>	<i>984,496</i>	<i>611,591</i>	<i>-</i>
<i>Non-vested</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>2,548,247</i>

* For employees based in the US or Europe, the Vesting Date is the same as the Exercise Date. For employees based in Australia or Philippines, the exercise date can be at any time from vesting date for a period of 10 years.

The amount recognised in relation to the performance rights for the year ended 30 June 2024 was a credit of \$208k (2023 expense \$504k). The fair value was calculated using the Black Scholes model using the following inputs:

Item	Tranche A	Tranche B	Tranche C - FY22	Tranche C - FY23
Number of performance rights issued at Grant Date	1,716,774	4,029,806	4,226,990	3,926,992
Exercise price	-	-	-	-
Grant date	28/02/2020	28/02/2020	29/10/2021	29/10/2021
Vesting Date	30/09/2020	30/09/2021	30/09/2022	30/09/2023
Expiry Date	30/09/2030	30/09/2031	30/09/2032	30/09/2033
Volatility	68%	68%	69%	69%
Dividend yield	0%	0%	0%	0%
Risk-free interest rate	1.12%	1.12%	0.99%	0.99%
Fair value at grant date	\$309,019	\$685,067	\$427,537	\$813,490

The probability of performance rights being converted to ordinary shares based on satisfaction of non-market performance conditions was incorporated into the total share-based payments expense by adjusting the number of performance rights ultimately expected to vest under the plan.

Volatility has been based on an evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected term.

Notes to the consolidated financial statements

ii. Gathid Ltd (formerly RightCrowd Limited) Option Plan

The Gathid Ltd option plan was designed to provide long-term incentives for employees to deliver long-term shareholder returns. Under the plan, which is split into three tranches, participants are granted options which only vest if employees remain employed by the Group over the service period. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Options are granted under the plan for no consideration and carry no voting rights. The terms of the award required the employee to remain in employment at vesting date. When exercisable, each option is convertible to one ordinary share.

Details of options granted in prior financial years under the Gathid Ltd Option Plan

a. On 13 September 2017, 6,505,000 share options were granted to employees under the Gathid Ltd Employee option plan to take up ordinary shares. All options under this plan have expired as at 30 June 2021, with the final tranche expiring on 12 December 2020.

The fair value of these options was \$425,966. This value was calculated using the Black-Scholes pricing model, applying the following inputs:

	Tranche 1	Tranche 2	Tranche 3
Number of options	2,168,363	2,168,328	2,168,309
Exercise price	\$0.38	\$0.43	\$0.43
Grant date	13 September 2017	13 September 2017	13 September 2017
Expiry date	12 December 2018	12 December 2019	12 December 2020
Volatility	58%	58%	58%
Dividend yield	0%	0%	0%
Risk-free interest rate	1.8%	1.8%	1.8%
Fair value at grant date	\$0.05	\$0.07	\$0.09

b. On 30 May 2018, 320,000 share options were granted to employees under the Gathid Ltd Employee Option Plan to take up ordinary shares.

The options hold no voting rights and are not transferable.

The fair value of these options was \$32,000. This value was calculated using the Black-Scholes pricing model using the following inputs:

	Tranche 1	Tranche 2	Tranche 3
Number of options	106,668	106,666	106,666
Exercise price	\$0.60	\$0.68	\$0.68
Grant date	30 May 2018	30 May 2018	30 May 2018
Expiry date	28 August 2019	28 August 2020	28 August 2021
Volatility	59%	59%	59%

Notes to the consolidated financial statements

Dividend yield	0%	0%	0%
Risk-free interest rate	1.8%	1.8%	1.8%
Fair value at grant date	\$0.07	\$0.10	\$0.13

Summary of total expense recognised in profit or loss from share-based payment arrangements

The total expense recognised in profit or loss for the above share-based payment arrangements is shown in the following table:

Share based payment arrangement	Amount recognised in profit or loss	
	30 June 2024 (\$)	30 June 2023 (\$)
Gathid Performance Rights plan	(208,020)	503,995
Sub-Total	(208,020)	503,995
Discount due to restriction period on LTI plan shares	-	-
Total share-based payment expense	(208,020)	503,995

24. Commitments and contingencies

Sale of Physical security business lines

The Group sold the physical security business lines to Bloom for \$13.5million, with the completion of the sale on 21 September 2023. Pursuant to the terms of the Agreement between the Group and Bloom, there is to be a final adjustment to the sale amount ("Adjustment Amount") following the calculation of internal accounts at the date of completion. Since that time, the Group has been working through the process with Bloom to assess and agree the Adjustment Amount in relation to the final consideration value for the sale. The Adjustment amount was disputed by the Company.

The dispute was referred to an expert for determination. The expert provided a determination on 27 June 2024, but the parties do not agree on its application to the Completion statement and discussions have continued on this. Bloom's interpretation of the Determination is that Gathid owes \$666,891 to Bloom, which is disputed by Gathid. While Gathid has engaged in negotiations in an attempt to resolve this dispute, the parties remain in dispute over the total Adjustment Amount due under the SPA.

The Directors currently cannot ascertain with reasonable certainty the final Sale Amount therefore have not included any adjustment to the \$13.5m initial proceeds in the financial statements.

In addition, the Gathid Board has also received a notification, on 20 September 2024, of potential Warranty items under the Share Purchase Agreement (SPA) but at this stage there is no potential claim that would constitute a contingent liability.

Other commitments and contingencies

The Directors are not aware of any other commitments or contingencies relating to the group as at 30 June 2024 (30 June 2023: Nil).

Notes to the consolidated financial statements

25. Related party transactions

A. Transactions with key management personnel

Key management personnel compensation, for KMP at the period end, comprised the following:

	30 June 2024 (\$)	30 June 2023 (\$)
Short term employee benefits	596,053	351,537
Post-employment benefits	80,534	40,717
Bonuses	95,288	0
Share-based payments	0	0
Total KMP compensation	771,875	392,254

Compensation of the Group's key management personnel includes salaries, bonuses, and contributions to superannuation funds.

There were no transactions with Key Management Personnel (KMP) during the reporting period.

B. Other related party transactions and relationships

Other related parties of the Group comprise the following:

b.) *Other entities over which key management personnel have control.*

One of the Group's directors have shareholdings which are held by family entities which they control. Peter Hill's shareholding is held indirectly through CNI PTY LTD.

Several of the Group's directors hold directorships in other entities; however, these directorships do not result in control or significant influence and these entities are therefore not classified as related parties of the Group.

There are no other related party relationships.

b.) *Related party transactions*

Apart from key management personnel transactions disclosed above, and the month-to-month lease for the company's office at Burleigh Heads from September 2023 to May 2024 with The Prosper Trust (partially owned by Peter Hill) there were no other related party transactions occurring during the year. Amounts paid during this financial year totalled \$79,200, exclusive of GST. No amounts are payable to or receivable from related parties at year end.

26. Operating segments

A. Basis for segmentation and change in reportable segments

Following the transaction to sell the physical security elements of the business the commercialisation of the Gathid platform (formerly Access Analytics) product continues. The Group has changed its internal organisation structure and now only has one operating segment. Before the transaction date the Group maintained the same internal organisation and operating segments that were in place up

Notes to the consolidated financial statements

to 30 June 2023. Segment assets and segment liabilities are no longer reported given they are not regularly compiled for or reviewed by the Chief Operating Decision Maker of the Group.

The nature of the Group's operating segments is described below:

- **Gathid Platform(formerly Access Analytics):** Development and delivery of analytics software for identifying user access compliance and governance issues.

The additional segments that were in place up to the sale transaction date were:-

- **Workforce Management:** Development and delivery of the Company's core Workforce and Visitor Management Solutions.
- **Presence Control:** Development and delivery of the Company's Presence Control solutions.

Notes to the consolidated financial statements

B. Information about reportable segments in the combined operation

The board of directors, being the chief operating decision maker of the Group, review the internal management reports of the segments on a monthly basis. Performance management and resource allocation decisions are made based primarily on segment revenue and segment net income.

Information related to each reportable segment is set out below:

	Discontinued operation				Continuing operation		Total (\$)	
	Workforce Management (\$)		Presence Control (\$)		Gathid Software / Access Analytics (\$)			
	21 September 2023 (\$)	30 June 2023 (\$)	21 September 2023 (\$)	30 June 2023 (\$)	30 June 2024 (\$)	30 June 2023 (\$)	30 June 2024 (\$)	30 June 2023 (\$)
External Revenues	3,447,913	13,625,084	81,762	1,690,067	643,933	371,259	4,173,608	15,686,455
Other Income	764,366	2,463,538	-	197,350	524,823	443,881	1,289,189	3,104,769
Cost of goods sold	(58,285)	(128,916)	(15,503)	(308,145)	(115,886)	(46,224)	(189,674)	(483,285)
Direct and allocated costs	(5,470,622)	(18,967,603)	(281,500)	(1,126,420)	(4,445,999)	(2,005,876)	(10,198,121)	(22,099,899)
Gain / (loss) on sale of discontinued	-	-	-	-	9,338,334	-	9,338,334	-
Income Taxes	(101,261)	(36,417)	-	-	-	(2,542)	(101,261)	(38,959)
Segment profit (loss) after tax and excluding impairment	(1,417,889)	(3,044,314)	(215,241)	452,852	5,945,205	(1,239,502)	(4,312,074)	(3,830,964)

Impairment expense is considered as a group expense and is not included above. No impairment expense in FY24.

Notes to the consolidated financial statements

C. Reconciliation of information on reportable segments to the amounts reported in the financial statements

i. Loss before tax excluding impairment

	30 June 2024 (\$)	30 June 2023 (\$)
Total loss before tax for reportable segments	(4,312,074)	(3,792,004)
Consolidated loss before tax	(4,312,074)	(3,792,004)

E. Major customers

The Group does not have a reliance on major customers. The nature of the Gathid platform is recurring revenue and there are no customers at this stage representing a significant portion of total revenue.

27. Reconciliation of cash flows from operating activities

	30 June 2024 (\$)	30 June 2023 (\$)
Continuing operations	(3,393,129)	(1,239,501)
Discontinued operations	(1,633,131)	(8,142,038)
Profit / (Loss) for the year combined operation	(5,026,260)	(9,381,539)
Depreciation & Amortisation	223,960	975,834
Impairment losses on intangible assets and goodwill	-	5,548,035
Equity settled share-based payment transactions	(208,020)	503,995
Unrealised foreign exchange loss (gain)	(311,301)	(297,000)
Other non-cash income	-	27,000
	(5,321,621)	(2,623,675)
Changes in:		
Trade and other receivables	4,236,537	(828,312)
Other assets	338,655	1,042,351
Inventories	789,603	556,188
Other liabilities & Reserves	(5,414,049)	(582,576)
Trade and other payables	(594,483)	53,327
Provisions and employee benefits	(1,432,434)	(331,432)
Current tax liabilities	51,542	3,075
Assets held for sale	2,855,764	-
Net cash from operating activities	(4,490,486)	(2,711,054)
Net cash from continuing operating activities (Cash flow Statement)	(3,932,721)	(1,107,754)
Net cash from discontinued operating activities (Note 13)	(557,765)	(1,603,300)

Notes to the consolidated financial statements

28. Parent entity information

As at, and throughout, the financial year ended 30 June 2024 the parent entity of the Group was Gathid Ltd.

	30 June 2024 (\$)	30 June 2023 (\$)
Result of parent entity		
Profit / (Loss) for the year	(1,587,495)	2,609,546
Other comprehensive income	-	-
Total comprehensive loss for the year	(1,587,495)	2,609,546

	30 June 2024 (\$)	30 June 2023 (\$)
Financial position of parent entity at year end		
Current assets	8,155,451	1,270,470
Total assets	8,155,451	4,378,966
Current liabilities	(859,475)	(1,454,731)
Total liabilities	(859,475)	(1,454,731)

	30 June 2024 (\$)	30 June 2023 (\$)
Total equity of the parent entity, comprising		
Share capital	56,440,603	56,133,457
Accumulated losses	(49,144,627)	(53,209,222)
Total equity	7,295,976	2,924,235

The parent entity has no contingent liabilities or commitments as at 30 June 2024 (2023: nil)

Total assets shown above includes share-based payments reserve of the parent entity issued to employees of subsidiary entities of \$252,285k (30 June 2023: \$1,741,320k)

29. Events after the reporting period

Other than the ongoing dispute with Bloom RC Holdings Inc disclosed in Note 24, Commitments and Contingencies there have been no other material events after the reporting period.

Notes to the consolidated financial statements

Consolidated entity disclosure statement

Name of entity	Entity type	Place formed / incorporated	Percentage of share capital held	Australian resident or foreign resident	Foreign jurisdiction of foreign residents
Gathid Ltd	Body corporate	Australia	n/a	Australian	n/a
Gathid Software Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Reporia Pty Ltd	Body corporate	Australia	100%	Australian	n/a
Offsite Vision Holdings Inc	Body corporate	USA	100%	Foreign	USA

Basis of preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001*. It includes certain information for each entity that was part of the consolidated entity at the end of the financial year.

Determination of Tax Residency

Section 295 (3A) of the *Corporation Acts 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*. The determination of tax residency involves judgement as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency. It should be noted that the definitions of 'Australian resident' and 'foreign resident' in the *Income Tax Assessment Act 1997* are mutually exclusive. This means that if an entity is an 'Australian resident' it cannot be a 'foreign resident' for the purposes of disclosure in the CEDS.

In determining tax residency, the consolidated entity has applied the following interpretations:

- **Australian tax residency**

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5.

- **Foreign tax residency**

Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in determining tax residency and ensure compliance with applicable foreign tax legislation.

Director's Declaration

1. In the opinion of the directors of Gathid Ltd:
 - a) the financial statements and notes set out on pages 23 to 58, and the Remuneration Report in the Directors' Report, set out on pages 14 to 21, are in accordance with the Corporations Act 2001, including:
 - i. giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the financial year ended on that date; and
 - ii. complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001;
 - b) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

2. The directors have been given the declarations required by Section 295A of the Corporations Act 2001 from the chief executive officer and chief financial officer for the financial year ended 30 June 2024.

3. The directors draw attention to note 2 of the financial statements, which includes a statement of compliance with International Financial Reporting Standards.

4. The consolidated entity disclosure statement on page 58 is true and correct.

This report has been signed in accordance with a resolution of the directors and is dated 30 October 2024:



Peter Hill

Director

INDEPENDENT AUDITOR'S REPORT

To the members of Gathid Ltd

Report on the Audit of the Financial Report

Disclaimer of opinion

We were engaged to audit the financial report of Gathid Ltd (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, 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 year then ended, and notes to the financial report, including material accounting policy information, consolidated entity disclosure statement and the directors' declaration.

We do not express an opinion on the accompanying financial report of the Group. Because of the significance of the matters described in the *Basis for disclaimer of opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on this financial report.

Basis for disclaimer of opinion

During the year the Group disposed of a business segment. The net loss of this discontinued operation to the date of disposal is recorded in the Consolidated statement of profit or loss and other comprehensive income as \$1,633,131 and the gain on sale of this business as \$9,338,334. The books and records of this business were transferred to the buyer at the date of the completion of the transaction and we were not able to obtain access to them, and as explained in note 13 the final consideration for the disposal is in dispute and is not able to be reliably estimated. As a result, we were unable to determine whether any adjustments were necessary in respect of the recorded net loss of this discontinued operation to the date of disposal, the gain on sale of this business, or the other amounts disclosed in note 13.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

- a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and
- b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

- ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our responsibility is to conduct an audit of the financial report in accordance with Australian Auditing Standards and to issue an auditor's report. However, because of the matter described in the *Basis for disclaimer of opinion* section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial report.

We are independent of the Group in accordance with 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in paragraphs pages 14 to 21 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Gathid Ltd, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd



C K Henry

Director

Brisbane, 31 October 2024

Shareholders Information

Shareholder Information

The following information is current as at 1 October 2024:

A. Shareholding – distribution of shareholders:

Category (size of holding)	Fully paid ordinary shares			Options / Rights over Fully paid ordinary shares		
	Holders	Number of units held	% of units held	Holders	Number of units held	% of units held
1-1000	28	6,744	0.00%	3	3,000	0.09%
1001-5000	94	261,542	0.10%	16	55,605	1.75%
5001-10000	70	558,896	0.21%	13	94,695	2.98%
10001-100000	225	8,889,638	3.41%	74	2,688,805	84.70%
100001 and over	126	250,633,516	96.27%	2	332,400	10.47%
	543	260,350,336	100%	108	3,174,505	100%

B. Less than marketable parcel

As at 1 October 2024, There are 104 shareholders holding a less than marketable parcel of shares in the Company.

C. Substantial shareholders

The names of the substantial shareholders in the Company at 1 October 2024 are shown in the following table:

Shareholder	Number of ordinary shares held	% of ordinary shares
CNI PTY LTD <RIGHT CROWD A/C>	53,907,428	20.456%
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	31,935,901	12.119%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	23,994,177	9.105%
CITICORP NOMINEES PTY LIMITED	20,707,882	7.858%
ADVANCED MARKETING TECHNOLOGIES PTY LTD <CHATFIELD FAMILY A/C>	18,802,491	7.135%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	17,552,822	6.661%
NATIONAL NOMINEES LIMITED	19,135,346	7.264%
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	18,429,428	6.996%
	166,900,701	63.334%

D. Voting rights

Each ordinary share is entitled to one vote when a poll is called; otherwise, each member present at a meeting or by proxy has one vote on a show of hands.

Shareholder Information

E. 20 Largest shareholders

The 20 largest shareholdings in the Company are shown in the below table:

#	Shareholder	Number of ordinary shares held	% of ordinary shares
1	CNI PTY LTD <RIGHT CROWD A/C>	53,907,428	20.456%
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	31,935,901	12.119%
3	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	23,994,177	9.105%
4	CITICORP NOMINEES PTY LIMITED	20,707,882	7.858%
5	ADVANCED MARKETING TECHNOLOGIES PTY LTD <CHATFIELD FAMILY A/C>	18,802,491	7.135%
6	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	17,552,822	6.661%
7	WHILEY CLOSE INVESTMENTS PTY LTD <SIMS FAMILY SUPER FUND A/C>	7,500,000	2.846%
8	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	6,267,712	2.378%
9	JOHAN VINCKIER	5,814,971	2.207%
10	SALMON EARTHMOVING CONTRACTORS PTY LTD <CROWNURST NO 3 A/C>	4,651,856	1.765%
11	RISK CAPITAL LLC	3,430,098	1.302%
12	BART VANSEVENANT	3,111,176	1.181%
13	EOS INVEST NV	2,500,245	0.949%
14	FLST PTY LTD	2,400,000	0.911%
15	BERNE NO 132 NOMINEES PTY LTD <W 1253672 A/C>	2,271,958	0.862%
16	UBS NOMINEES PTY LTD	2,150,000	0.816%
17	ALEX VINCKIER	2,072,801	0.787%
18	DANBRO LLC	1,895,141	0.719%
19	WHILEY CLOSE HOLDINGS PTY LTD <WHILEY CLOSE A/C>	1,854,782	0.704%
20	NIKO GROUP NV	1,376,496	0.522%
	Total Securities of Top 20 Holdings	214,197,937	81.282%

F. Company secretary

The name of the Company secretary is Kim Larkin.

Shareholder Information

G. Address and principal office

The address of the principal registered office in Australia is:

Suite 205, 15 Lake Street, Varsity Lakes, QLD, 4227

H. Register of Securities

Registers of securities are held at the following address:

Boardroom Limited

Level 12, 225 George Street, Sydney NSW 2000

I. Unquoted Securities

As of 1 October 2024 , there were also a total of 1,673,322 vested performance rights on issue.