8COMMON LIMITED & ITS CONTROLLED ENTITIES
ACN 168 232 577

ASX APPENDIX 4E
RESULTS FOR ANNOUNCEMENT TO THE MARKET
PRELIMINARY FINAL REPORT
FOR THE YEAR ENDED 30 JUNE 2024

1. Reporting Period

Current Reporting Period - For the year ended 30 June 2024
Previous Reporting Period – For the year ended 30 June 2023

2. Results for announcement to the market

	June 2024 ($)	June 2023 ($)	Change ($)	Change (%)
Revenue from continuing operations	8,123,310	7,241,065	882,245	15%
Other Income	106,800	301,476	(194,676)	(65%)
Net (loss) after tax for the period attributable to members from continuing operations	(2,548,338)	(3,303,225)	754,887	23%

EPS	June 2024	June 2023
Basic Loss per share	(1.14) cents per share	(1.49) cents per share
Diluted Loss per share	(1.14) cents per share	(1.49) cents per share

NET TANGIBLE ASSET BACKING	June 2024	June 2023
Net tangible assets per share	(0.007) cents per share	0.2 cents per share

3. Financial Results

This report should also be read in conjunction with any public announcements made by 8common in accordance with the continuous disclosure requirements arising under the Corporations Act 2001 and ASX Listing Rules.

The information provided in this report contains all the information required by ASX Listing Rule 4.3A.

4. Explanation of results

For an explanation of the current year results, refer to the Review of Operations contained within this document.

5. Status of audit and description of likely disputes or qualifications

This Appendix 4E is based on accounts which have been audited. The audit report is included within the financial report which accompanies this Appendix 4E

ANNUAL REPORT

2024

8common

ASX:8CO

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ASX:8CO

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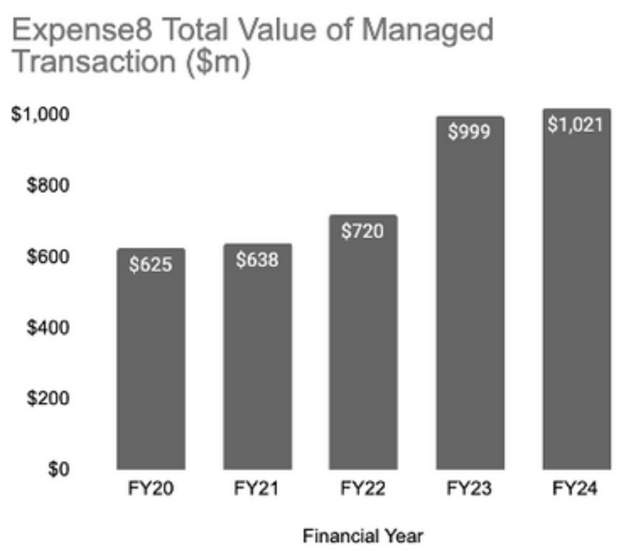
CHAIRMAN AND CEO MESSAGE

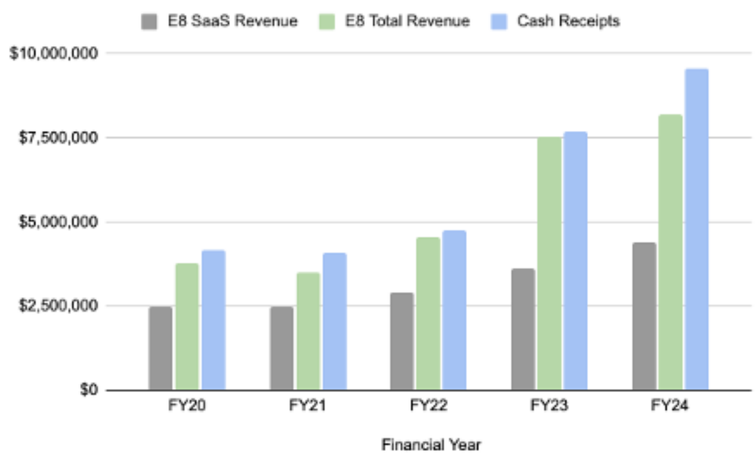
Dear Fellow Shareholders,

Welcome to 8common Limited's Annual Report for 2024 Financial Year (FY24). Our business continued to grow over the year, expanding our footprint as a leading provider of travel and expense management to Federal Government, State Government and large enterprise businesses.

Our Expense8 platform processed over $1billion in transaction which delivered record revenue, SaaS revenue and cash receipts for our Company.



Given the growing financial and operational footprint of our Company, we felt it would be useful to reflect on the performance of the Expense8 business over the past 5 years. A conscious effort was made to focus and grow the business in the large enterprise and government segments. To compete successfully, the product delivery and platform needed to meet and exceed high quality, availability and security standards.



Board and management's primary focus has been to deliver positive EBITDA and operating cashflow. We achieved this in Q4 FY24 and we are working to continue this trend through FY25.

$1Billion

in transactions during FY24

$9.6M

record cash receipts in FY24

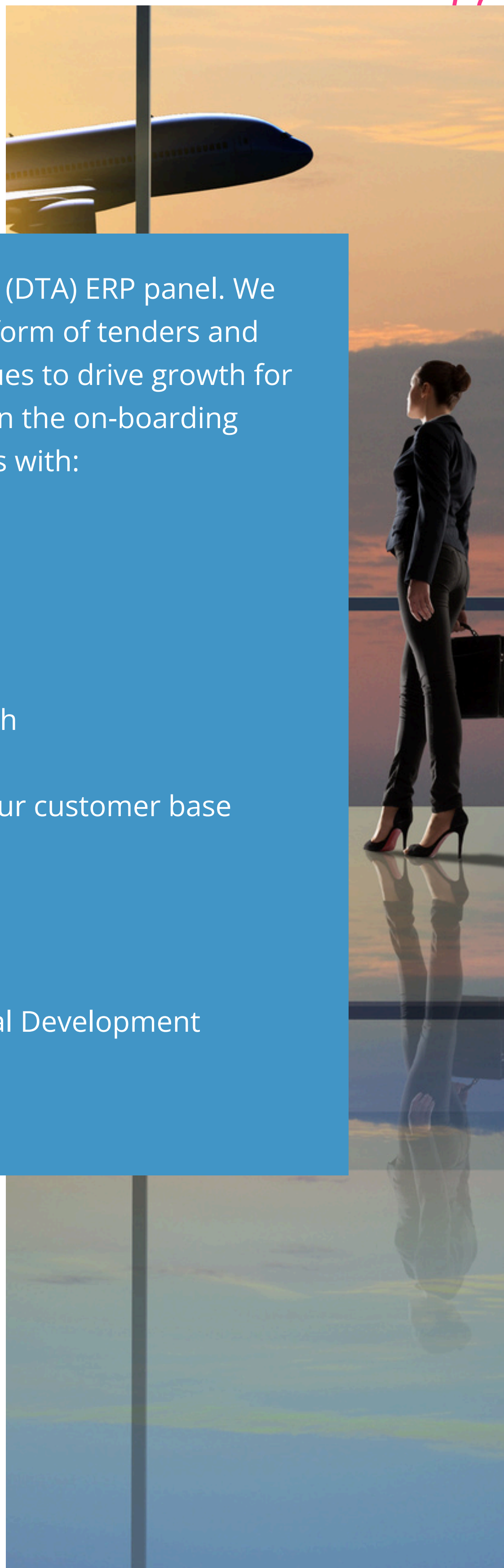
$8.2M

record total revenue in FY24

23%

growth in SaaS revenue compared to FY23

Expense8 Leading Travel and Expense Management Solution



Our core travel and expense management solution, Expense8, continues to deliver industry leading performance across the federal government, state and territory government and large corporate sectors.

GovERP was replaced by theDigital Transformation Agency (DTA) ERP panel. We adapted quickly and have seen strong engagement in the form of tenders and prospect outreach. The Federal government sector continues to drive growth for the Company, with 47,000 live users and 17,000 currently in the on-boarding phase. Our customer footprint expanded via new contracts with:

- Fair Work Commission
- Interactive Community Care (CardHero)
- Office of the Commonwealth Ombudsman
- Murray Darling Basin Authority
- Australian Centre for International Agricultural Research

We also secured a number of contract extensions across our customer base including:

- The Department of Finance
- Department of the Prime Minister & Cabinet
- NSW Department of Education
- Northern Territory Department of Corporate and Digital Development
- Life Without Barriers
- NSW Department of Customer Service

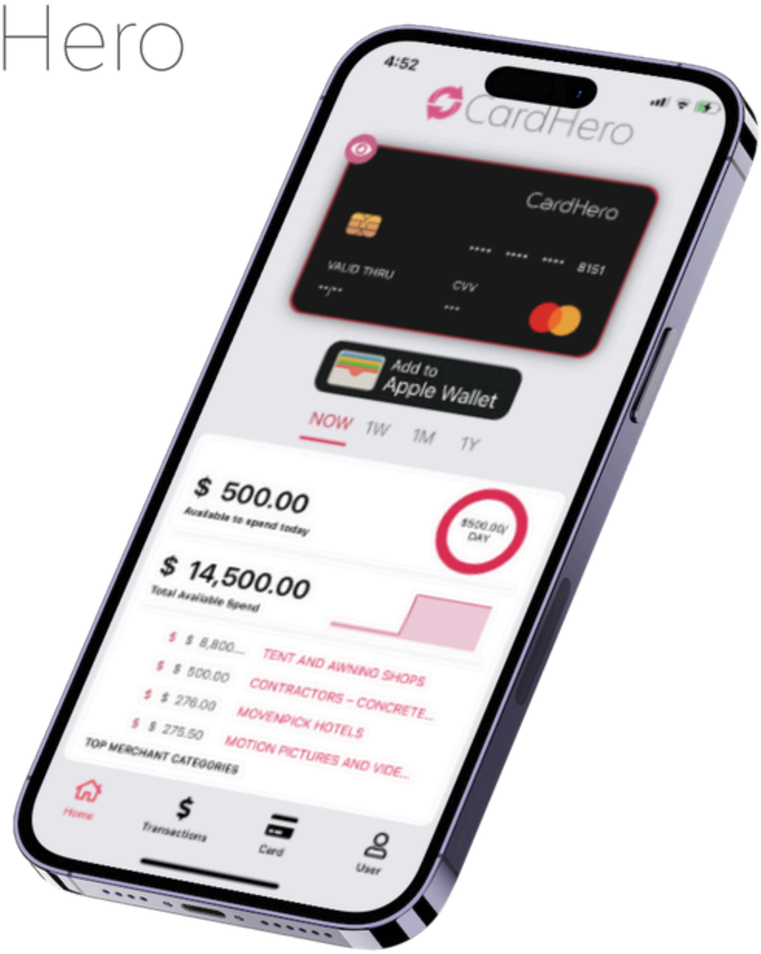
Our maturing product offering, and market position has facilitated collaboration with Top tier consulting firms to grow our client footprint. In addition to business development, the partners can secure and execute new client implementations. This puts less pressure on our internal team and cashflow, as an integral part of our growth and profitability plan.

CardHero Progressing, Operationally cashflow positive

The growing level of governance and accountability around the disbursement of funds across the not-for-profits, charities and government sectors continues to drive an increasing level of demand for sophisticated disbursement programs such as CardHero. We welcomed the Interactive Community Care (ICC) as a new client in FY24. On a standalone basis, CardHero also became operationally cashflow positive. CardHero contributed $357k in revenue in FY24 with $108k to recurring SaaS and transaction revenue during Q4 (up 175% vs PCP)

The CardHero adoption allows for funds distribution (NDIS and youth care) and as a replacement for their corporate credit cards and as such has a large potential addressable market. With the technology being proved in real time by our initial customers, we are continuing to see a growing level of inbound enquiries from not-for-profits, corporate and government agencies seeking a solution for their fund distribution requirements.

CardHero



Pathway to Cashflow and Profit

	1H FY24	2H FY24	FY24	% change
Cash Receipts	$4,444,850	$5,117,822	$9,562,672	13.15%
SaaS Revenue	$2,156,596	$2,247,330	$4,403,926	4.04%
Total Revenue	$4,174,080	$4,017,709	$8,191,789	-3.89%
Total Expenses	$6,125,103	$4,653,344	$10,778,447	-31.63%
EBITDA	-$1,680,283	-$220,689	-$1,900,972	-661.38%
Net Profit	-$1,951,023	-$597,315	-$2,548,338	-226.63%

Changes in GovERP and our successful appointment to the DTA panel have altered the engagement model with Federal government from one primary organisation to directly engagements with government entities. We have navigated the changes well and expect to be able to deliver continued growth. SaaS revenue is poised to grow given the recent implementations and strong pipeline of opportunities in the near term.

2H FY24 and in particular Q4 demonstrated our ability to bring down expenses (down 31% vs PCP) to deliver profitability and cashflow. Operational efficiencies and strategic initiatives will continue to strengthen our financial performance. We have turned an important corner and look forward to delivering on our goal towards positive cashflow and profitability in FY25

We would like to thank all stakeholders and look forward to sharing meaningful updates on our progress through what we believe will be a milestone financial year for 8CO.

Nic Lim
Executive Chairman

Andrew Bond
Chief Executive Officer

DIRECTOR'S REPORT

Your directors present their report on the consolidated entity (referred to herein as the Group or Company) consisting of 8common Limited and its controlled entities for the financial year ended 30 June 2024. The information in the review of operations forms part of this directors' report for the financial year ended 30 June 2024 and is to be read in conjunction with the following information:

General Information

Directors
The following persons were directors of 8common Limited during or since the end of the financial year up to the date of this report:

- Kah Wui "Nic" Lim – Managing Director and Executive Chairman
- Adrian Bunter – Non-Executive Director
- John Du Bois – Non-Executive Director
- Kok Fui Lau – Non-Executive Director
- Max Crowley – Company Secretary (resigned on 28 March 2024)
- Zoran Grujic – Company Secretary (appointed on 28 March 2024)

Particulars of each director's experience and qualifications are set out later in this report.

Principal Activities

8common's **(ASX:8CO)** solutions deliver enterprise grade financial transaction processing for government entities and large enterprise businesses. Its flagship Expense8 platform is a leading pureplay provider of end-to-end travel expense management software, card application and management. The innovative software solutions improve organisation, productivity, incorporate company organisational policies and expense auditing to reduce fraud.

CardHero (pre-paid card payment and fund distribution) delivers solutions to support regulated, large network and high-volume requirements. 8common specialises in large enterprise and government segments.

Its growing client base of enterprise customers Woolworths, Broadcast Australia, Amcor, and over 170 state and federal government entities have delivery record revenue, SaaS revenue and cash receipts in FY24.

Operating Results and Review of Continuing Operations

Over this year, the Group achieved revenue from continuing operations of $8.3m (2023: $7.2m) and incurred an operating loss after tax of $2.5m. EBITDA for the period was a loss of $1.9m (2023: loss of $2.6m) which took into consideration the following:

- Interest of $17k;
- Depreciation of $630k.

Financial and Operational Review

Key financial highlights for FY24 include:

- Record FY24 total revenue of $8.2 million, up 11% vs FY23
- Cash receipts from operations of $9.6m (2023: $7.7m) and full year operating cash outflow of $1.68m (2023: $265k)
- Total contracts value won in FY24 of $5.6 million
- Annualised Recurring transaction and SaaS Revenue (ARR) of c.$5 million at 30 June 2024 ($3.9 million at 30 June 2023)
- Cash balance at 30 June 2024 of $131k (30 June 2023: $1.8 million). The Executive Chairman has granted a $1.5m facility which has supported the Company to achieving operational positive cashflow and EBITDA profitability in Q4 2024.
- CardHero welcomed the Interactive Community Care (ICC) as a new client. On a standalone basis, CardHero also became operationally cashflow positive. CardHero contributed $357k in revenue with $108k to recurring SaaS and transaction revenue during Q4 (up 175% vs PCP)

FY24 total revenue

$8.2M

↑11% vs FY23

Total contracts value won in FY24

$5.6M

more than FY20, FY21 and FY22 combined

Annualised Recurring transaction and SaaS Revenue (ARR)

c.$5M

at 30 June 2024 ($3.9M vs FY23)

Cash receipts from operations

$9.6M

with a cash outflow of $1.7m

Q4 FY24 EBITDA Positive

$161k

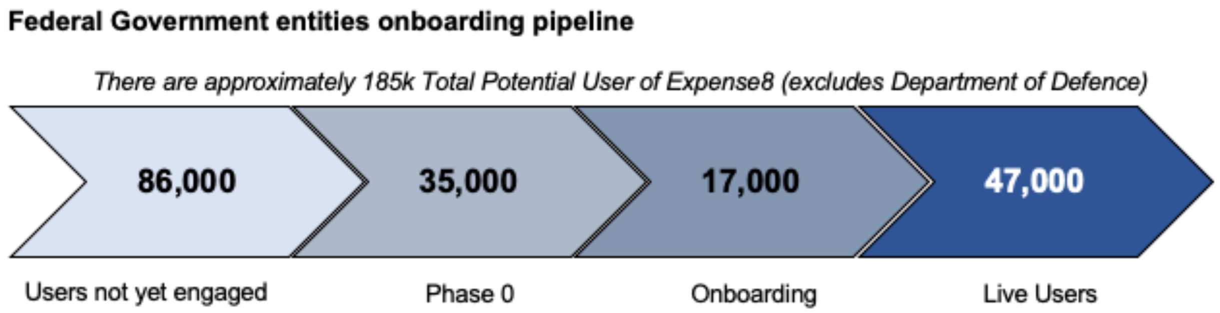
(FY24: -$1.9M)

Key operational highlights include:

- Strong customer demand continues to drive elevated on-boarding activity with implementation projects being executed across multiple entities
- New contract wins and extensions secured during the quarter include the Net Zero Emissions Agency, Department of the Senate, Department of Finance and the Department of Home Affairs
- User numbers decreased to 164k, down slightly vs PCP due to a large customer deactivating dormant users

	FY23	FY24	Change	% Change (vs pcp)
Cash Receipts ($,000)	7,689	9,563	1,874	24%
Total Revenue ($,000)	7,504	8,230	726	10%
SaaS & Transaction Revenue ($,000)	3,631	4,458	827	23%
Number of users (k)	169	164	-1	-2%
ARPU – Federal Government (A$)	50.55	48.61	-1.94	-4%
ARPU – Total (A$)	21.04	29.07	8.03	38%

The DTA ERP panel has replaced the GovERP work package which has resulted in an increase in potential new client engagement and tender activity. The Federal government sector continues to drive growth for the Company, with 47,000 live users and 17,000 currently in the on-boarding phase.



Major contracts secured under the GovERP program in FY24 include:

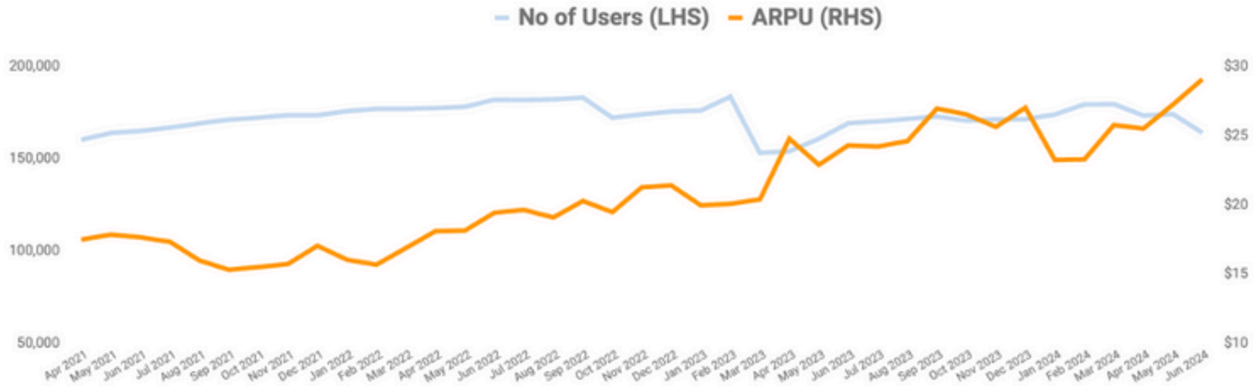
- Office of the Commonwealth Ombudsman
- Murray Darling Basin Authority
- Australian Centre for International Agricultural Research
- Fair Work Commission

The growing number of contracts has seen an increase in both user numbers as well as ARPU. Period end ARPU of $29.07, up 38% vs PCP. With a growing number of agencies and users to be onboarded within Federal government, average ARPU is expected to continue to increase in coming quarters thus driving further revenue increases.

Revenue

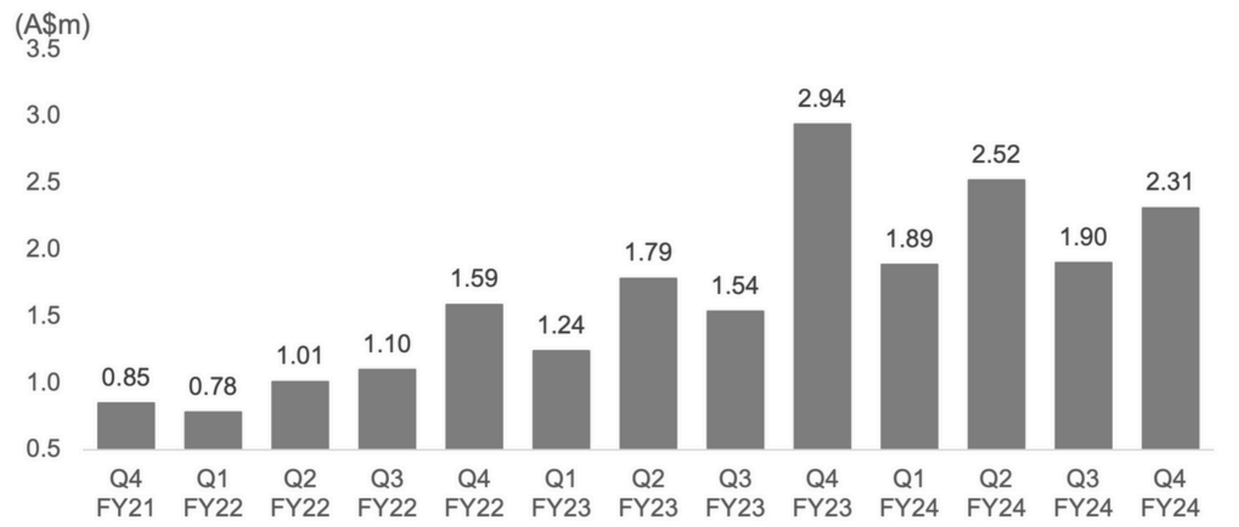
The growing number of contracts has seen an increase in both user numbers as well as ARPU. Period end ARPU of $29.07, up 38% vs PCP. With a growing number of agencies and users to be onboarded within Federal government, average ARPU is expected to continue to increase in coming quarters thus driving further revenue increases.

ARPU

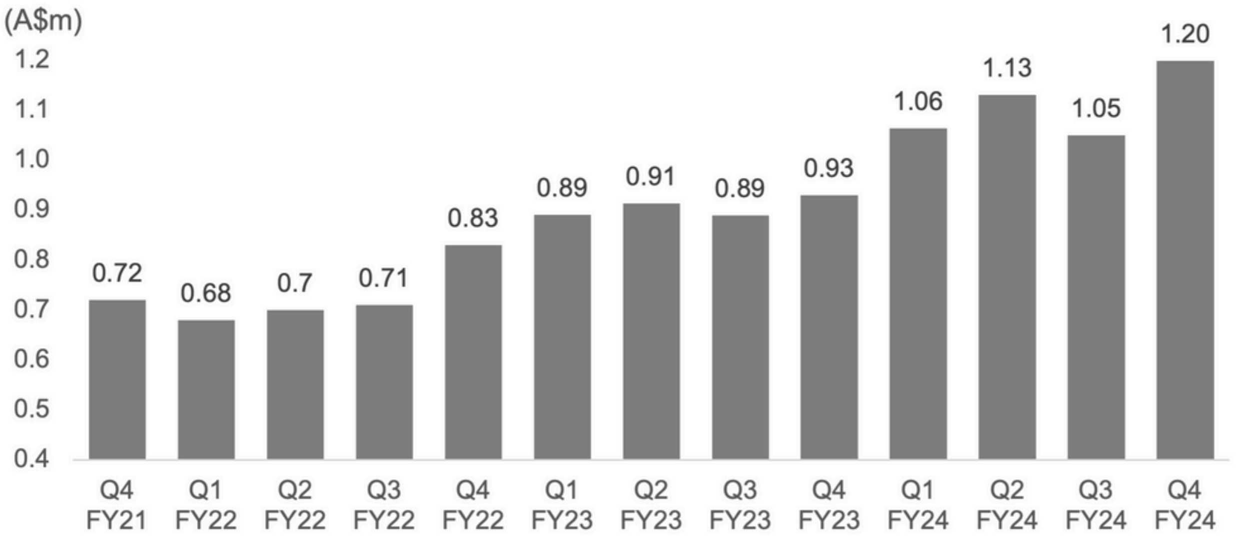


8CO delivered record FY24 total revenue of $8.2 million, up 10% vs FY23, with transaction and recurring SaaS revenue of $4.5m, up 23% yoy.The large implementation revenues recognised in the period is anticipated to lead to increased SaaS revenues, improved margins and cashflow when users go live.

Total Revenue

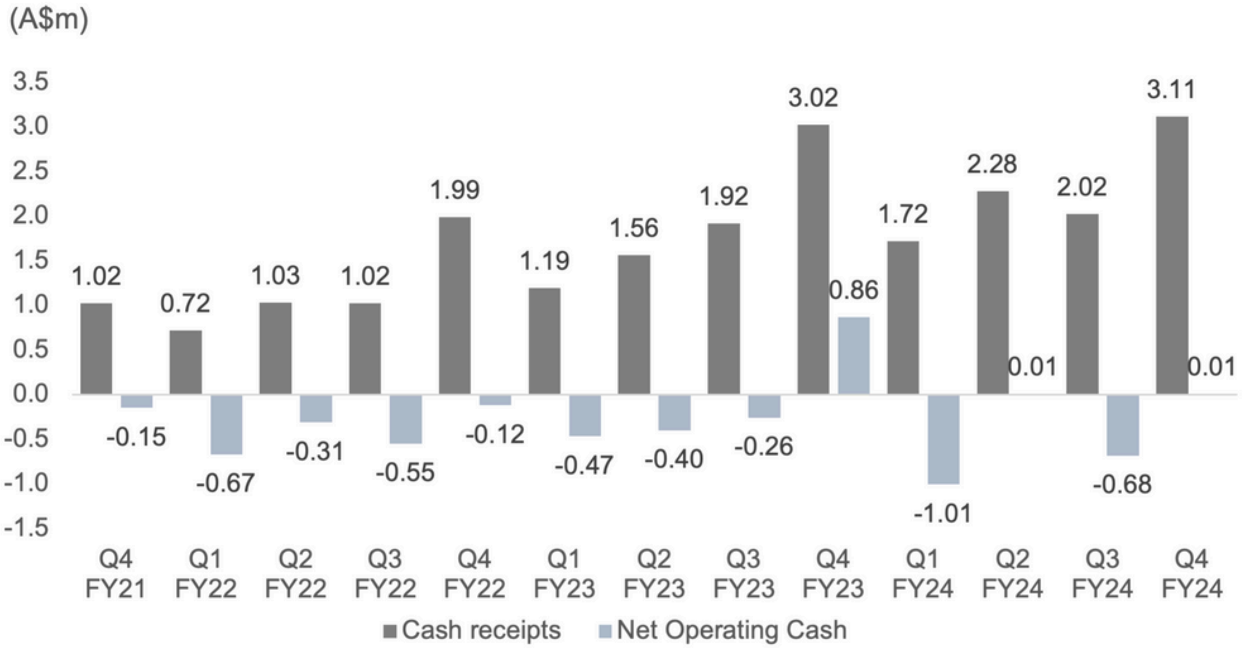


Recurring SaaS & Transaction Revenue



Cashflow Performance

The cashflow performance of the Company recovered significantly throughout 2H FY24, culminating in a positive $161k EBITDA and positive cashflow in the June quarter. The momentum to positive cashflow has been driven by a combination of strong implementation revenue, cashflow management and a reduction in the spend associated with investment into staff and infrastructure. 2H expenses decreased by 31% versus 1H whilst Total Revenue remained constant with increases in SaaS revenue.



Key Risks

The Group is subject to various risk factors. Some of these are specific to its business activities while others are of a more general nature. Individually, or in combination, these risk factors may affect the future operating and financial performance of the Group.

Strategic Risk

8common operates in a client-focused industry and is therefore exposed to the evolving preferences and requirements of its clients. The Company is focused on mitigating strategic risk by engaging with senior leaders at key clients on a highly frequent basis. These engagements ensure the Company's products and services remain relevant and attractive to the market.

Client Concentration

In addition to the strategic risk, 8common has a client base concentrated on Government entities. The group currently is the single provider of Travel & Expense Management services with the Federal Government (GOVERP) and the loss of this could have an impact on the business. Accordingly, management are in continuous contact with the relevant leaders at the clients to ensure renewal of these contracts.

Product Technology Risk and Changes

The Expense8 product has technological risks which the business believes are evolving at rapid pace. The group mitigates this risk by continually investing in further enhancing and developing its Expense8 product.

Financing Risk

There is no certainty regarding the ability of the Group to raise sufficient funds to meet its needs into the future. The Group's future capital requirements depend on several factors including its ability to generate sufficient income from its operations.

Cybersecurity and Data Management

Data and information security is essential to protect nosiness critical intellectual property and data privacy, continuing advances in technology, systems and communication channels mean increasing amounts of private and confidential data are now stored electronically. This, together with increasing cybercrime, heightens the need for robust data security .

Key Partnership

The Company relies on select partners to support sales and delivery of strategic initiatives. Suboptimal performance of these partners could have a significant impact on 8common's ability to deliver against strategic initiatives.

People and Culture

8common's ability to deliver on strategic targets is reliant on retaining and attracting experienced, skilled and motivated talent. It also requires strong, resilient and effective leaders as the business grows at pace.

Regulatory Risks

The introduction of new policies or legislation or amendments to existing policies or legislation and the failure by governments to act promptly to introduce new or amend existing policies or legislation that governs Group operations or contractual obligations, could impact adversely on the operations and, ultimately, the financial performance of the Group.

Outlook

The Company continues to expand its presence amongst government, not for profit and large enterprises. As more entities progress through the on-boarding phase of Expense8 and into Live Users within Federal government, we anticipate user numbers to continue to grow in coming quarters. The growth of users on our platforms is anticipated to increase our ARPU over FY25 and beyond, delivering material revenue growth for the Company and driving profitability and further positive cash flows for the group. Furthermore, our partner program is expected to fuel our growth as we are seeing an influx of new prospects entering the pipeline through our partners, including both Government prospects and non-Government prospects (both Australian and International).

Environmental Issues

The company takes a responsible approach in relation to the management of environmental matters. All significant environmental risks have been reviewed and the consolidated entity has no legal obligation to take corrective action in respect of any environmental matter. The consolidated entity's operations are not subject to significant environmental regulations.

Dividends Paid or Recommended

No dividend has been paid or declared in relation to the financial year ended 30 June 2024.

Indemnifying and insurance of officers

The company has indemnified all current and previous directors of the consolidated entity, the company secretary and certain members of senior management against all liabilities or loss (other than to the company or a related body corporate) that may arise from their position as officers of the company and its controlled entities, except where the liabilities arise out of conduct involving a lack of good faith or indemnification is otherwise not permitted under the Corporations Act. The indemnity stipulates that the company will meet the full amount of any such liabilities, including costs and expenses, and covers a period of seven years after ceasing to be an officer of the company.

During the financial year, 8common Limited paid a premium of $46,837 to insure the directors and secretaries of the company and its Australian-based controlled entities, and the general managers of each of the divisions of the group. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

Indemnifying and insurance of auditor

The company's insurance contract does not provide cover for the independent auditors of the company or of a related body corporate of the company.

Proceedings on Behalf of 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.

Non-audit Services

The Board of Directors, in accordance with advice from the audit committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the audit committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: *Code of Ethics for Professional Accountants* set by the Accounting Professional and Ethical Standards Board.

The following fees were paid or payable by 8common Limited for non-audit services provided by an entity related to the audit firm during the year ended 30 June 2024:

	$
Taxation services	3,255
	3,255

Employee Share Options

At the date of this report, the unissued ordinary shares of 8common Limited under Employee share option plan are as follows:

	Grant Date	Expiry date	Exercise Price	Number of Options
Employee Option Plan	30 June 2023	31 May 2026	$0.084	4,774,594
Employee Option Plan	30 November 2022	30 November 2025	$0.13	800,000
Employee Option Plan	30 June 2022	31 May 2025	$0.13	6,740,000
Employee Option Plan	15 December 2021	15 December 2024	$0.20	450,000
Employee Option Plan	30 November 2021	30 November 2024	$0.16	1,175,000
Total				13,939,594

Option holders do not have any rights to participate in any issues of shares or other interests of the company or any other entity.

There have been no options granted over unissued shares or interests of any controlled entity within the Group during or since the end of the reporting period.

For details of options issued to directors and executives as remuneration, refer to the remuneration report.

No person entitled to exercise the option had or has any right by virtue of the option to participate in any share issue of any other body corporate

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 25 of the financial report.

Auditor

Walker Wayland NSW Chartered Accountants continues in office in accordance with section 327 of the Corporations Act 2001.

Options

At the date of this report, there were no options on issue listed on the Australian Securities Exchange.

Information Relating to Directors

Kah Wui "Nic" Lim	– Managing Director and Executive Chairman
Qualifications	– Bachelor of Commerce (Western Sydney University) and Bachelor of Law (University of Technology, Sydney)
Experience	– Founder of 8common, investor and Board member of various technology companies over the last 20 years. Co-Founded Catcha.com in 1999, Nic left an operational role in 2003 and remained on the Board member of various subsidiaries until 2010. He is an Independent Director on the Board of Genius Group Ltd (GNS:NYSE). Nic established a career in finance and advisory until 2012 and was most recently attached to the Fixed Income Sales team within the Investment Bank of Morgan Stanley in Singapore. He was also previously with UBS and Credit Suisse in Hong Kong.
Interest in Shares and Options	– 27,131,121 ordinary shares in 8common Limited. 675,000 options
Special Responsibilities	– None
Directorships held in other listed entities during the last three years	– Genius Group Limited (NYSE American)

Adrian Bunter	–	Independent, Non-Executive Director
Qualifications	–	Bachelor of Business (University of Technology, Sydney) and a Graduate Diploma in Applied Finance. Member of Chartered Accountants Australia and New Zealand, Senior Associate of Financial Services Institute of Australia
Experience	–	Adrian has 28 years experience in accounting, finance and a broad range of corporate advisory roles including mergers and acquisitions, divestments of business, debt/equity raisings and strategy development and execution. He is a Partner of one of Australia's leading boutique specialist technology, media and commerce financial advisory firms, an executive committee member of Australia's leading angel investing group, Sydney Angels and an advisor to or non-executive director of several high growth technology businesses.
Interest in Shares and Options	–	550,000 ordinary shares in 8common Limited. 600,000 options
Special Responsibilities	–	Member of the Remuneration Committee and member of the Audit Committee
Directorships held in other listed entities during the last three years	–	Non-Executive Chairman of Carly Holdings Limited (ASX: CL8) Non-Executive Director of Live Verdure Limited (ASX: LV1)

John Du Bois	–	Independent, Non-Executive Director
Qualifications	–	IAC (Institute of Administration & Commerce Zimbabwe) Law Economics and Accounts. Macquarie University Graduate School of Business - Banking and Finance. INSEAD Executive Leadership. Australian Graduate School of Management Leadersip and Management Monash University NLP Advanced Techniques Chisholm Institute/Monash University Data Processing Programming Analysis Structure and Information
Experience	–	John has over 35 years experience in executive leadership leading transforming and building early stage and established businesses, including mergers, acquisitions and divestments. He is Chairman of Avigna, Global Mentor for Everwise.
Interest in Shares and Options	–	378,698 ordinary shares in 8common Limited 550,000 options
Special Responsibilities	–	Member of the Remuneration Committee and member of the Audit Committee
Directorships held in other listed entities during the last three years	–	N/A

Kok Fui Lau	–	Independent, Non-Executive Director
Qualifications	–	Master in Business Administration from Henley Management College United Kingdom Advance Management Program Training at GE Crotonville Aircraft Maintenance Engineer Licences.
Experience	–	Lau has 40 years of experience working in Aviation, media, IOT, Digital Transformation and IT industries covering a broad range of roles including business formation, mergers and acquisitions, divestments of business, and strategy development and execution. He was a Managing Director of the General Electric Company as well as Regional Director of Business Development covering the Asia Pacific Region. He was recognised for many successful operational and business achievements.
Interest in Shares and Options	–	17,448,513 ordinary shares in 8common Limited 200,000 options
Special Responsibilities	–	NA

Directorships held in other listed entities during the last three years	– MSCM Berhad Malaysia. (Formerly Panpages Berhad Malaysia)

Meetings of Directors

During the financial year, 13 meetings of directors (including committees of directors) were held. Attendances by each director during the year were as follows:

	Directors' Meetings		Audit Committee		Remuneration Committee	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Kah Wui "Nic" Lim	10	10	-	-	-	-
John Du Bois	10	9	2	2	1	1
Adrian Bunter	10	10	2	2	1	1
Kok Fui Lau	10	8	2	2	1	1

REMUNERATION REPORT - AUDITED

This report outlines the remuneration arrangements in place for Directors and key management personnel of the Group for FY24. The remuneration report is set out under the following main headings:

A. Principles used to determine the nature and amount of remuneration
B. Details of remuneration
C. Service agreements
D. Share-based compensation

These disclosures have been audited, as required by section 308(3c) of the Corporations Act 2001.

Role of the remuneration committee

The remuneration committee is a committee of the Board. It is primarily responsible for making recommendations to the Board to ensure 8common's remuneration structures are equitable and aligned with the long- term interests of 8common and its Shareholders. The remuneration committee will have regard to relevant company policies in attracting and retaining skilled executives, and structuring short and long-term incentives that are challenging and linked to the creation of sustainable Shareholder returns.

In relation to remuneration matters, the committee's responsibilities are to ensure that 8common:

- has coherent remuneration policies and practices which enable 8common to attract and retain executives and Directors who will create value for Shareholders;
- fairly and responsibly remunerates Directors and executives, having regard to the performance of 8common, the performance of the executives and the general remuneration environment; and
- has effective policies and procedures to attract, motivate and retain appropriately skilled and diverse persons to meet 8common's needs.

The Corporate Governance Statement provides further information on the role of this committee.

The Chief Executive Officer and the Chief Financial Officer attend meetings by invitation to assist the Committee in its deliberations except on matters associated with their own remuneration.

A. Principles used to determine the nature and amount of remuneration

The performance of the Group depends on the quality of its Directors and executives.

To prosper, the Group must attract, motivate and retain highly skilled Directors and executives. To this end, the Group embodies the following principles in its remuneration framework:

- provide competitive rewards to attract high calibre executives;
- link executive rewards to shareholder value;
- ensure that a significant portion of executive remuneration is 'at risk', and therefore dependent on meeting pre-determined performance benchmarks; and
- establish appropriate performance hurdles in relation to variable executive remuneration.

The Board of Directors assesses the appropriateness of the nature and amount of remuneration of Directors and senior managers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team.

Remuneration structure
In accordance with the corporate governance principles and recommendation, the structure of Non-Executive Director and senior manager remuneration is separate and distinct.

Non-executive director remuneration

Objective

The Board seeks to set aggregate remuneration at a level that provides the Group with the ability to attract and retain Directors of the highest calibre, while incurring costs that are acceptable to shareholders.

Structure

Each Non-Executive Director will receive a fixed fee for being a Director of the Group. The current fee is $36,000 per annum.

The constitution and the ASX Listing Rules specify that the maximum aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting of shareholders.

The amount of aggregate remuneration sought to be approved by shareholders and the fixed fees paid to Directors are reviewed annually. The Board considers fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process. The current aggregate amount as approved by the shareholders is $300,000.

Executive remuneration

Objective

The Company aims to reward key management personnel with a level and mix of remuneration commensurate with their position and responsibilities within the Company and:

- Reward key management personnel for achievement of pre-determined key performance indicators;
- Link reward with the strategic goals and performance of the Company; and
- Ensure total remuneration is competitive by market standards.

The Remuneration for key management personnel and staff will include an annual review using a formal performance appraisal process. The Remuneration Committee recommends to the Board the level of fixed remuneration each year based on the performance of individuals.

Structure

A policy of the Board is to establish employment or consulting contracts with the Chairman, Chief Executive Officer and other senior executives. At the time of this report there are employment agreements are in place for the members of the Board and senior management.
Current remuneration agreements only consist of fixed remuneration. The Board and senior management are reviewing the remuneration agreements with the view of incorporating long-term equity-based incentives that are subject to satisfaction of performance conditions. There have been one off grants of long term equity incentives in 2020 to 2023 which are intended to retain key executives and reward performance.

Fixed remuneration
The level of fixed remuneration is set as to provide a base level of remuneration that is both appropriate to the position and is competitive in the market. Fixed remuneration comprises of payroll salary, superannuation and other benefits. Individuals, however, may choose to sacrifice part of their salary to increase payments towards superannuation or other benefits.

Remuneration Policy and Performance
The Company is currently reviewing the remuneration policies applicable to the CEO and CTO as well as the general manager and other senior personnel of the Company in relation to KPI's and extent of remuneration, which is 'at risk'. The review will assist the Company to better structure remuneration policies in accordance with current trends and practices in corporate remuneration.

Relationship between remuneration policy and company performance
The Company is currently reviewing its remuneration policies as indicated above.

Details of the remuneration of the Directors and other key management personnel (as defined in AASB 124 Related Party Disclosures) of 8common Limited are set out in the following tables.

B. *Details of remuneration (audited)*

Name	Cash salary and fees	Post-Employment Benefits Superannuation	Share based payments	Total	Performance related
2024	**$**	**$**	**$**	**$**	**%**
Non-executive directors					
John Du Bois	36,000	-	-	36,000	-
Adrian Bunter	36,000	-	-	36,000	-
Kok Fui Lau	36,000	-	-	36,000	-
Total non-executive directors	**108,000**	**-**	**-**	**108,000**	**-**
Executive directors and key management personnel					
Kah Wui "Nic" Lim (i)	199,752	-	-	199,752	-
Zoran Grujic (Chief Financial Officer)	84,132	**-**	-	84,132	-
Andrew Bond (Chief Executive Officer)	243,740	26,811	-	270,551	-
Rory Koehler (Chief Technology Officer) (ii)	209,632	**-**	-	209,632	-
Ben Brockhoff (Chief Operating Officer)	203,796	20,198	-	223,994	-
Total executive directors & key management	**941,052**	**47,009**	**-**	**988,061**	-
Total	**1,049,052**	**47,009**	**-**	**1,096,061**	-

(i) Mr Lim is not based in Australia and hence no local superannuation is payable on his remuneration.
(ii) Mr Koehler is not based in Australia and hence no local superannuation is payable on his remuneration.

Name	Cash salary and fees	Post-Employment Benefits Superannuation	Share based payments	Total	Performance related
2023	**$**	**$**	**$**	**$**	**%**
Non-executive directors					
John Du Bois	36,000	-	10,620	46,620	-
Adrian Bunter	36,000	-	10,620	46,620	-
Kok Fui Lau	36,000	-	10,620	46,620	-
Total non-executive directors	**108,000**	**-**	**31,860**	**139,860**	**-**
Executive directors and key management personnel					
Kah Wui "Nic" Lim (i)	199,752	-	10,620	210,372	-
Zoran Grujic (Chief Financial Officer)	79,759	**-**	12,592	92,351	-

Andrew Bond (Chief Executive Officer)	213,570	22,425	23,199	259,194	-
Rory Koehler (Chief Technology Officer) (ii)	184,449	**-**	23,199	207,648	-
Ben Brockhoff (Chief Operating Officer)	177,975	18,687	23,199	219,861	-
Total executive directors & key management	**855,505**	**41,112**	**92,809**	**989,426**	-
Total	**963,505**	**41,112**	**124,669**	**1,129,286**	-

(i) Mr Lim is not based in Australia and hence no local superannuation is payable on his remuneration.

(ii) Mr Koehler is not based in Australia and hence no local superannuation is payable on his remuneration.

C. Service agreements

Mr Kah Wui "Nic" Lim was appointed as the Executive Chairman and is based in Singapore, and reports to the Board by way of an executive service agreement. The appointment of Nic is for an unspecified term. Either 8common or Mr Lim may terminate the appointment with 6 months' notice or alternatively in 8common's case, payment in lieu of notice. Upon the termination of Mr Lim's employment contract, he will be subject to a restraint of trade period of up to 12 months. The enforceability of the restraint clause is subject to all usual legal requirements. The fixed remuneration payable to Mr Lim comprises a remuneration of $199,752 inclusive of all entitlements.

Mr Andrew Bond was appointed as the Chief Executive Officer and is based in Sydney Australia, and reports to the Board by way of an executive service agreement. Either 8common or Mr Bond may terminate the appointment with 3 months' notice or alternatively in 8common's case, payment in lieu of notice. Upon the termination of Mr Bond's employment contract, he will be subject to a restraint of trade period of up to 12 months. The enforceability of the restraint clause is subject to all usual legal requirements. The fixed remuneration payable to Mr Bond was reviewed during the financial year and comprises a remuneration of $243,740 per annum plus superannuation.

Mr Zoran Grujic was appointed as the Chief Financial Officer and is based in Sydney Australia, and reports to the Board by way of an executive service agreement. Either 8common or Mr Grujic may terminate the appointment with 3 months' notice or alternatively in 8common's case, payment in lieu of notice. Upon the termination of Mr Grujic's service contract, he will be subject to a restraint of trade period of up to 12 months. The enforceability of the restraint clause is subject to all usual legal requirements. The fixed remuneration payable to Mr Grujic was reviewed during the financial year and comprises a remuneration of $84,132 per annum.

Mr Ben Brockhoff was appointed as the Chief Operations Officer and is based in Sydney Australia, and reports to the Board by way of an executive service agreement. Either 8common or Mr Brockhoff may terminate the appointment with 3 months' notice or alternatively in 8common's case, payment in lieu of notice. Upon the termination of Mr Brockhoff's employment contract, he will be subject to a restraint of trade period of up to 12 months. The enforceability of the restraint clause is subject to all usual legal requirements. The fixed remuneration payable to Mr Brockhoff was reviewed during the financial year and comprises a remuneration of $203,796 per annum plus superannuation.

Mr Rory Koehler was appointed as the Chief Technology Officer and is based in Singapore, and reports to the Board by way of an executive service agreement. Either 8common or Mr Koehler may terminate the appointment with 3 months' notice or alternatively in 8common's case, payment in lieu of notice. Upon the termination of Mr Koehler 's service contract, he will be subject to a restraint of trade period of up to 12 months. The enforceability of the restraint clause is subject to all usual legal requirements. The fixed remuneration payable to Mr Koehler was reviewed during the financial year and comprises a remuneration of $209,632 per annum.

D. Share-based compensation (audited)

Loans to directors and executives

There were no loans to Directors or executives during or since the end of the year.

Share holdings of key management personnel.

Directors and key management personnel of 8common Limited ordinary shares	Balance at the start of the year	Other changes during the year	Balance at the end of the year
2024			
John Du Bois	378,698	-	378,698
Adrian Bunter	150,000	400,000	550,000
Kah Wui “Nic” Lim	26,958,025	173,096	27,131,121
Kok Fui Lau	17,224,886	223,627	17,448,513
Zoran Grujic	4,508,197	-	4,508,197
Andrew Bond	353,426	-	353,426
Ben Brockhoff	144,859	-	144,859
Rory Koehler	358,999	-	358,999
Total	**50,077,090**	**796,723**	**50,873,813**

Directors and key management personnel of 8common Limited ordinary shares	Balance at the start of the year	Other changes during the year	Balance at the end of the year
2023			
John Du Bois	378,698	-	378,698
Adrian Bunter	150,000	-	150,000
Kah Wui “Nic” Lim	26,845,461	112,564	26,958,025
Kok Fui Lau	17,224,886	-	17,224,886
Zoran Grujic	4,409,623	98,574	4,508,197
Andrew Bond	152,373	201,053	353,426
Ben Brockhoff	60,337	84,522	144,859
Rory Koehler	199,090	159,909	358,999
Total	**49,420,468**	**656,622**	**50,077,090**

Options holdings of key management personnel.

Directors and key management personnel of 8common Limited options	Balance at the start of the year	Options acquired or disposed of during the year	Options cancelled during the year	Balance at the end of the year
2024				
Adrian Bunter	600,000	-	-	600,000
John Du Bois	550,000	-	-	550,000
Kah Wui “Nic” Lim	675,000	-	-	675,000
Kok Fui Lau	200,000	-	-	200,000
Andrew Bond	2,400,000	-	(1,650,000)	750,000
Rory Koehler	2,100,000	-	(1,350,000)	750,000
Ben Brockhoff	2,400,000	-	(1,650,000)	750,000
Zoran Grujic	1,197,094	-	(757,094)	440,000
Total	**10,122,094**	**-**	**(5,407,094)**	**4,715,000**

Directors and key management personnel of 8common Limited options	Balance at the start of the year	Options acquired or disposed of during the year	Options exercised during the year	Balance at the end of the year
2023				
Adrian Bunter	400,000	200,000	-	600,000
John Du Bois	350,000	200,000	-	550,000
Kah Wui “Nic” Lim	475,000	200,000	-	675,000
Kok Fui Lau	0	200,000		200,000
Andrew Bond	4,230,000	750,000	(2,580,000)	2,400,000
Rory Koehler	2,540,000	750,000	(1,190,000)	2,100,000
Ben Brockhoff	3,595,054	750,000	(1,945,054)	2,400,000
Zoran Grujic	1,040,000	407,094	(250,000)	1,197,094
Total	**12,630,054**	**3,457,094**	**(5,965,054)**	**10,122,094**

Description of options/rights issued and remuneration

There have been no unissued shares or interests under option of any controlled entity within the Group during or since reporting date.

END OF REMUNERATION REPORT

This Director’s report, incorporating the Remuneration report, is signed in accordance with a resolution of the Board of Directors.

Nic Lim
Executive Chairman

28 August 2024
Malaysia

Walker Wayland NSW
Chartered Accountants

ABN 55 931 152 366

Level 11, Suite 11.01
60 Castlereagh Street
SYDNEY NSW 2000

GPO Box 4836
SYDNEY NSW 2001

Telephone: +61 2 9951 5400
Facsimile: +61 2 9951 5454
mail@wwnsw.com.au

Website: www.wwnsw.com.au

28 August 2024

The Directors
8common Limited
Level 4, 15 Moore Street
CANBERRA ACT 2601

AUDITOR'S INDEPENDENCE DECLARATION PURSUANT TO SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF 8COMMON LIMITED AND CONTROLLED ENTITIES

We declare that, to the best of our knowledge and belief, during the year ended 30 June 2024 there have been no contraventions of:

i. the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit; and

ii. any applicable code of professional conduct in relation to the audit.

Walker Wayland NSW

Walker Wayland NSW
Chartered Accountants

Edward Chow
Partner

Dated this 28th of August 2024, Sydney

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		$	$
Revenue from continuing operations	3a	8,123,310	7,241,065
Other income	3b	106,800	301,476
TOTAL REVENUE		8,230,110	7,542,541
EXPENSES FROM CONTINUING OPERATIONS			
Cost of services	4	(3,683,915)	(3,297,078)
Employee and contractor costs	4	(4,577,851)	(3,876,482)
Impairment of goodwill	13	-	(1,225,108)
Occupancy expenses	4	(51,415)	(72,430)
Administration expenses		(588,659)	(636,435)
Computer software and maintenance		(981,142)	(640,624)
Professional fees		(163,750)	(128,077)
Marketing costs		(59,042)	(78,000)
Finance costs	4	(43,043)	(3,135)
Depreciation and amortisation	4	(629,631)	(698,231)
Share based payments	28	-	(190,166)
TOTAL EXPENSES		**(10,778,448)**	**(10,845,766)**
NET LOSS BEFORE INCOME TAX		**(2,548,338)**	**(3,303,225)**
Income tax (expense)	5	-	-
NET LOSS AFTER TAX		**(2,548,338)**	**(3,303,225)**
Other comprehensive loss			
(Loss)/gain on revaluation of financial assets at fair value through other comprehensive income		(83,349)	(896,979)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		**(2,631,687)**	**(4,200,204)**
Earnings per share			
Basic loss per share – cents per share		(1.14)	(1.49)
Diluted loss per share – cents per share		(1.14)	(1.49)

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	30 June 2024 $	30 June 2023 $
Current assets			
Cash and cash equivalents	9	131,744	1,809,403
Trade and other receivables	10	694,507	809,186
Other assets	14	109,473	134,761
Total current assets		**935,724**	**2,753,350**
Non current assets			
Financial assets	15	43,459	290,750
Property, plant and equipment	12	62,238	99,166
Intangible assets	13	2,105,181	2,594,569
Total non-current assets		**2,210,878**	**2,984,485**
Total assets		**3,146,602**	**5,737,835**
Current liabilities			
Trade and other payables	16	1,818,380	1,919,515
Contract liabilities	17	436,676	380,767
Provisions	18	404,402	259,842
Total current liabilities		**2,659,458**	**2,560,124**
Non-current liabilities			
Provisions	18	69,829	128,709
Total non-current liabilities		**69,829**	**128,709**
Total liabilities		**2,729,287**	**2,688,833**
Net assets		**417,315**	**3,049,002**
Shareholders' equity			
Contributed equity	19	16,946,815	16,946,815
Accumulated Losses		(15,304,469)	(13,027,577)
Asset revaluation reserve	23	(2,283,972)	(2,200,623)
Share based payment reserve	28	1,058,941	1,330,387
Total shareholders' equity		**417,315**	**3,049,002**

The accompanying notes form part of these financial statements

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024	2023
		$	$
CASH FLOW FROM OPERATING ACTIVITIES			
Receipts from customers		9,562,672	7,688,516
Interest received		24,707	15,550
Payments to suppliers and employees		(11,271,582)	(7,969,092)
Net cash (used in) operating activities	22a	(1,684,203)	(265,026)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of plant and equipment assets		-	(44,682)
Payment for software development costs		(103,314)	(1,205,981)
Proceeds from disposal of investments		109,858	72,151
Net cash (used in) investing activities		6,544	(1,178,511)
CASH FLOW FROM FINANCING ACTIVITIES			
Net Proceeds from conversion of options and issue of ordinary shares		-	-
Net cash provided by financing activities		-	-
NET (DECREASE)/INCREASE IN CASH HELD		(1,677,659)	(1,443,537)
Cash and cash equivalent at beginning of financial year		1,809,403	3,252,940
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	9	**131,744**	**1,809,403**

The accompanying notes form part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2024

	Contributed Equity	Accumulated Losses	Asset Revaluation Reserves	Share based payment reserve	Total
	$	$	$	$	$
BALANCE AT 30 JUNE 2022	**16,777,951**	**(9,204,710)**	**(1,823,286)**	**1,140,221**	**6,890,176**
Comprehensive income					
Loss for the year	-	(3,303,225)	-	-	(3,303,225)
Other comprehensive income	-	-	(896,979)	-	(896,979)
Total comprehensive loss	**-**	**(3,303,225)**	**(896,979)**	**-**	**(4,200,204)**
Issue of shares	168,864	-	-	-	168,864
Share based payment	-	-	-	190,166	190,166
Transfer to Accumulated losses	-	(519,642)	519,642	-	-
BALANCE AT 30 JUNE 2023	**16,946,815**	**(13,027,577)**	**(2,200,623)**	**1,330,387**	**3,049,002**
Comprehensive income					
Loss for the year	-	(2,548,338)	-	-	(2,548,338)
Other comprehensive income	-	-	(83,349)	-	(83,349)
Total comprehensive loss	**-**	**(2,548,338)**	**(83,349)**	**-**	**(2,631,687)**
Issue of shares	-	-	-	-	-
Share based payment	-	-	-	-	-
Transfer to Accumulated losses	-	271,446	-	(271,446)	-
BALANCE AT 30 JUNE 2024	**16,946,815**	**(15,304,469)**	**(2,283,972)**	**1,058,941**	**417,315**

The accompanying notes form part of these financial statement

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements and notes represent those of 8common Limited and its Controlled Entities (the "consolidated group" or "group").

The financial statements were authorised for issue on 28 August 2024 by the directors of the company.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have been consistently applied unless stated otherwise.

Except for cash flow information, the consolidated financial statements have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

a) Going Concern basis of accounting

The Group has incurred a net loss after tax of $2,548,338 (2023: Loss $3,303,225) and a net cash outflow from operations of $1,684,203 (2023: outflow $265,026). As at 30 June 2024, the Group had a total cash balance of $131,744 (2023: $1,809,403) and net current liabilities of $1,723,734 (2023: net current assets of $193,226). Included in net current liabilities is a payment plan with the Australian Taxation Office (ATO) in relation to Goods and Services Tax (GST) and Pay as You Go (PAYG) amounting to $473,195 as at 30 June 2024. The Group's ability to continue as a going concern is collectively dependent on:

- its ability to generate positive cash flows from operations including meeting revenue forecasts whilst ensuring that cost efficiency strategies set by Management are met; and

its ability to obtain sufficient funding to settle its debts as and when they fall due including the repayment of the ATO debt stated above in accordance with the agreed payment plan arrangement.

These conditions above indicate that there are risks that the Group may have insufficient funds to be able to pay its debts as and when they fall due and therefore a material uncertainties exist that may cast significant doubt on the Group's ability to continue as a going concern thereby realising its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial report.

The Directors believe there are reasonable grounds that the Group will be able to continue as a going concern after considering the following factors:

- The current business development prospects show an increase in activity and should lead to increasing ongoing revenue;
- The cash position is supported by a $1.5m financing facility from the Executive Chairman which ensures the Group remains adequately funded. As at 30 June 2024 and at the date of this report, the Group has not drawn down on the facility. If the loan is drawn down, it will be applied towards working capital purposes. The Group does not intend to draw down on the loan however recognises that this option is available if required. Further to the loan facility, the Executive Chairman has financed operating costs totalling $253k during the year;
- As at the date of this report the quoted share price of Cloudaron Group Berhad was MYR0.20 representing a fair value of approximately $579,447 based on the number of shares held by the Group. Further sale proceeds may provide another avenue of liquidity should the share price remain at MY0.20;
- The Directors remain committed to the long-term business plan that is contributing to improved results as the business progresses; and
- The budgets and forecasts reviewed by the Directors for the next twelve months anticipate the business will continue to produce improved results.

The Directors believe that the above indicators demonstrate that the Group will be able to pay its debts as and when they become due and payable, and to continue as a going concern, and be in a position to realise its assets and settle its liabilities and commitments in the normal course of business and at the amounts stated in the financial report. Accordingly, the Directors believe that it is appropriate to adopt the going concern basis in the preparation of the financial statements.

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

In the event that the Group does not achieve the conditions stated by the Directors, the ability of the Group and therefore the Group to continue as a Going Concern may be impacted, and therefore the Group may not be able to realise its assets and extinguish its liabilities in the ordinary course of operations and at the amounts stated in the financial report. No adjustments have been made to the recoverability and classification of recorded asset values and the amount and classification of liabilities that might be necessary should the Group not continue as going concerns.

b) Significant accounting judgments, estimates and assumptions

Management has identified the following critical accounting policies for which significant judgments, estimates and assumptions are made. Actual results may differ from these estimates under different assumption and conditions and may materially affect the financial results or the financial position reported in future years.

Critical accounting judgements, estimates and assumptions

i. Impairment – Intangibles

The Group assesses impairment at the end of each reporting year by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations, which incorporate various key assumptions.

ii. Provision for impairment of receivables

The directors have considered the recoverability of all trade receivable balances and they are of the opinion that no impairment provision is necessary. This estimate is based on their judgment.

iii. Intellectual Property – Software useful lives

Expense8 Software is recognised at the cost of acquisition. These assets are deemed to have an infinite useful life, however the directors based on their estimates and judgments have assessed a useful life of 1 to 5 years and are carried at cost less accumulated amortisation.

iv. Capitalised Development Costs

Judgment is required in distinguishing the research and development phases of a new software development project. It is also required in determining whether the recognition requirements for the capitalisation of development costs are met. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

Capitalised developments costs –- as disclosed in Note 13 ‘Intangible Assets’ have been capitalised on the basis that management expects future economic benefits to be derived by the Group. Capitalised development costs are being amortised over a period of 1 to 5 years, which is commensurate with managements’ expectations as to the period of expected future economic from the product development.

v. Going concern basis on accounting

Refer to note 1(a).

vi. Share Based payments

The Group measures the cost of equity-settled transactions with by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using either the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted.

The valuations have been carried out at the grant date. The main areas of judgement and estimates include volatility, risk free rate and revenue growth assumption in the Black Scholes option pricing model.

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

c) Cash and Cash Equivalents

Cash and cash equivalents include deposits available on demand with banks.

d) Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting year are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

e) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost or fair value less, where applicable, any accumulated depreciation.

The carrying amount of property, plant and equipment is reviewed annually by officers of the 8common Group to ensure it is not in excess of the recoverable amount is assessed on the basis of the expected net cash flows which will be received from the assets employed and subsequent disposal. The expected net cash flows have not been discounted to present values in determining recoverable amounts.

The depreciable amounts of all fixed assets are depreciated on a straight-line basis over their estimated useful lives commencing from the time the asset is held ready for use.

f) Financial assets at fair value through other comprehensive income

Initial recognition and measurement

Financial assets are classified, at initial recognition, are subsequently measured at amortised cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost
- financial assets at fair value through other comprehensive income
- Financial assets at fair value through profit or loss

Financial assets at fair value through Other Comprehensive Income (OCI)

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination.

A financial asset is held for trading if:

• it has been acquired principally for the purpose of selling it in the near term; or

• on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or

• it is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

f) Financial assets at fair value through other comprehensive income (cont)

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the asset revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to retained earnings. Dividends on these investments in equity instruments are recognised in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. No dividends have been received during the year. The Group designated all financial assets in equity instruments that are not held for trading as at FVTOCI on initial recognition (see note 15).

g) Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of 8common Limited and all of the subsidiaries. Subsidiaries are entities the parent controls. The parent 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 assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars, which is the parent entity's functional currency.

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in other comprehensive income to the extent that the underlying gain or loss is recognised in other comprehensive income; otherwise the exchange difference is recognised in profit or loss.

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

g) Principles of Consolidation (cont)

Goodwill

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is calculated as the excess of the sum of:

- the consideration transferred;
- any non-controlling interest (determined under either the full goodwill or proportionate interest method); and
- the acquisition date fair value of any previously held equity interest;

over the acquisition date fair value of net identifiable assets acquired.

The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements.

Fair value re-measurements in any pre-existing equity holdings are recognised in profit or loss in the year in which they arise. Where changes in the value of such equity holdings had previously been recognised in other comprehensive income, such amounts are recycled to profit or loss.

Goodwill on acquisition of subsidiaries is included in intangible assets.

Goodwill is tested for impairment annually and is allocated to the Group's cash-generating units or groups of cash-generating units, representing the lowest level at which goodwill is monitored being not larger than an operating segment. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity disposed.

Changes in the ownership interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions and do not affect the carrying amounts of goodwill.

The accounting for the business combinations is considered provisional.

Intangibles Other than Goodwill

Intellectual Property – Software

Software is recognised at cost of acquisition. These assets are deemed to have an infinite life. These assets will be assessed for impairment on an annual basis.

Development costs

Research costs are expensed as incurred. Development expenditures on an individual project are recognised as an intangible asset when the group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use or sale;
- Its intention to complete and its ability to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset;
- The ability to measure reliably the expenditure during development; and
- The ability to use the intangible asset generated.

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. Travel and Expense Management product development costs are amortised over the period of expected future benefit being 1 to 5 years. Amortisation is recorded in expenses. During the period of development, the assets are tested annually for impairment.

h) Trade and Other Creditors

These amounts represent liabilities for goods and services provided to the 8common Group prior to the end of the year and which are unpaid. The amounts are unsecured and are paid in accordance with supplier terms.

i) Contract liabilities

Contract liabilities represent services billed by the Group in advance of meeting its performance obligations to the customer. These obligations typically exist of 12 months and as such are classified as a current liability.

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

j) Employee Entitlements

Short-term employee benefits

Provision is made for the Group's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Group's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Group's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on corporate bond rates that have maturity dates that approximate the terms of the obligations. Any remeasurements for changes in assumptions of obligations for other long-term employee benefits are recognised in profit or loss in the periods in which the changes occur.

The Group's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Group does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

Defined contribution superannuation benefits

All Australian employees of the Group receive defined contribution superannuation entitlements, for which the Group pays the fixed superannuation guarantee contribution to the employee's superannuation fund of choice. All contributions in respect of employees' defined contribution entitlements are recognised as an expense when they become payable. The Group's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions at the end of the reporting period. All obligations for unpaid superannuation guarantee contributions are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the Group's statement of financial position.

k) Taxation

The income tax expense/(income) for the year comprises current income tax expense/(income) and deferred tax expense/(income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities/(assets) are measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense/(income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

k) Taxation (con't)

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Tax Consolidation

8common Limited and its wholly owned Australian subsidiaries (Expense8 Pty Limited & CardHero Pty Limited) have formed an income tax consolidated group under tax consolidation legislation. Each entity in the 8common Group recognises its own current and deferred tax assets and liabilities. Such taxes are measured using the 'stand-alone taxpayer' approach to allocation. Current tax liabilities (assets) and deferred tax assets arising from unused tax losses and tax credits in the subsidiaries are immediately transferred to the head entity. The 8common Group notified the Australian Taxation Office that it had elected to form an income tax consolidated group.

l) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or Options are shown in equity as a deduction, net of tax, from the proceeds.

m) Share based payments

The Group operates an employee option plan. Share-based payments to employees are measured at the fair value of the instruments issued and amortised over the vesting periods. Share-based payments to non-employees are measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and are recorded at the date the goods or services are received. The corresponding amount is recorded to the option reserve. The fair value of options is determined using the Black-Scholes pricing model. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognised for services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest.

n) Revenue

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step process outlined in AASB 15 which is as follows:

Step 1: Identify the contract with a customer;

Step 2: Identify the performance obligations in the contract and determine at what point they are satisfied;

Step 3: Determine the transaction price;

Step 4: Allocate the transaction price to the performance obligations;

Step 5: Recognise revenue as the performance obligations are satisfied.

NOTE 1: BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

n) Revenue (cont)

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed.

Annual Licence Fees are invoiced for 12 months in advance but allocated to Unearned revenue in the Statement of Financial Position until they can be taken to the Profit & Loss in the relevant month over the term of the licence.

Monthly SaaS revenue is monthly revenue taken to the Profit and Loss as per the contract with the customer which is billed monthly in arrears. This includes platform fees, transaction fees, usage fees, card fees and travel fees to name a few inclusions.

Change Requests refer to changes that a client request be made to their system that is specific to them (ie. Change of name, change of authorisation level etc). These are typically invoiced on agreed milestones per the change request. Revenue is recognised upon the completion of work.

Consulting fees relate to revenues earned on non technical 3rd party contractors utilised for projects. These are billed monthly in arrears, which coincides with the service being provided.

The Group earns implementation fees from customers in connection with the implementation of its software by undertaking a significant amount of work to determine whether the customer's existing software environment and systems can accommodate the Group's technology. This is a distinct performance obligation with transaction prices typically fixed and defined in the contract. Revenue is recognised over the period of the project's implementation using an input method, based on milestone reached for each implementation contract, to the extent that the Group can reasonably measure its progress towards the complete satisfaction of the performance obligation.

Other associated services relate to client reimbursements and other miscellaneous revenue.

Interest revenue is recognised using the effective interest method. All revenue is stated net of the amount of goods and services tax.

o) Consumption Taxes

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

p) Accounting Standards Issued but not yet effective

A number of new standards, amendments to standards and interpretations have been published but are not yet mandatory and have not been applied in preparing these financial statements. Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the year ended 30 June 2024.

The Group has not yet assessed the impact of these new or amended Accounting Standards and Interpretations.

NOTE 2: PARENT INFORMATION

	PARENT ENTITY	
	2024	**2023**
	$	**$**
The following information has been extracted from the books and records of the parent and has been prepared in accordance with Australian Accounting Standards.		
Statement of Financial Position		
ASSETS		
Current assets	3,797,562	4,257,727
Non-current assets	2,292,786	2,292,786
TOTAL ASSETS	6,090,348	6,550,513
LIABILITIES		
Current liabilities	2,839	72,259
Non current liabilities	-	-
TOTAL LIABILITIES	2,839	72,259
NET ASSETS	6,087,509	6,478,254
EQUITY		
Issued capital	16,946,815	16,946,815
Accumulated losses	(9,469,429)	(9,078,684)
Reserves	(1,389,877)	(1,389,877)
TOTAL EQUITY	6,087,509	6,478,254
Statement of Profit or Loss and Other Comprehensive Income		
Total loss	(307,396)	(334,373)
Other comprehensive income/(loss)	(83,349)	(706,812)
Total comprehensive loss	(390,745)	(1,041,185)

Guarantees

No cross guarantees existed during the year ended 30 June 2024. (30 June 2023: Nil)

Contingent liabilities

At 30 June 2024 (30 June 2023: Nil), 8common Limited is not responsible for any contingent liabilities of subsidiaries.

Contractual commitments

At 30 June 2024 (30 June 2023: Nil), 8common Limited was not responsible for any contractual commitments of any of its subsidiaries.

NOTE 3: REVENUE

		Consolidated Group	
		2024 **$**	**2023** **$**
a.	**Revenue**		
	Change requests and implementations	3,703,864	3,609,343
	Annual Licence fees & SaaS revenue	4,408,151	3,631,128
	Other revenue	11,295	594
	Total revenue	8,123,310	7,241,065
b.	**Other Income**		
	Interest received	25,309	15,273
	Other revenue – reversal of provisions and accruals	81,491	286,203
	Total Other revenue	106.800	301,476
	Total Revenue and Other Income	**8,230,110**	**7,542,541**
	Timing of revenue recognition		
	Products and services transferred to customers:		
	At a point in time	1,230,667	776,055
	Over time	6,999,443	6,766,486
		8,230,110	7,542,541

NOTE 4: EXPENSES FOR THE YEAR

Loss before income tax from continuing operations includes the following specific expenses:

Expenses			
Cost of sales		3,683,915	3,297,078
Interest costs on financial liabilities:			
– unrelated parties		43,043	2,328
Depreciation	12 (a)	36,928	23,579
Amortisation of software development costs	13	592,703	674,652
		629,631	698,231
Employee and contractor costs:			
– defined contribution superannuation expense		247,222	207,584
– Wages & Salaries		2,166,076	1,892,383
– Contractor expenses		1,945,626	1,658,046
– Other costs		218,927	118,469
		4,577,851	3,876,482
Occupancy expenses:			
Rental expense on short term operating leases		51,415	72,430
Impairment of goodwill		-	1,225,108

NOTE 5: TAX (BENEFIT) / EXPENSE

		Consolidated Group	
		2024 $	2023 $
a.	The prima facie tax on profit from ordinary activities before income tax is reconciled to income tax as follows:		
	Prima facie tax payable 25% (2023: 25%) on profit from ordinary activities before income tax	(637,084)	(825,806)
	Tax effect of:		
	Write off of deferred tax assets	-	-
	Impairment of goodwill	-	306,277
	Provisions and accruals	473,380	297,430
	Share based payments expense	-	47,542
	Amortisation	163,704	174,557
	Income tax expense / (benefit) attributable to entity	-	-
b.	Unrecognised deferred tax balances:		
	The following deferred tax assets have not been brought to account:		
	Losses available for offset against future taxable income	10,623,034	8,074,697

Deferred tax assets arising from tax losses are, to the extent noted above, not recognised at reporting date as realisation of the benefit definite. This deferred income tax benefit will only be obtained if:

- future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;
- the conditions for deductibility imposed by tax legislation is complied with, including Continuity of Ownership and/or similar Business Tests; and
- no changes in tax legislation adversely affect the Group in realising the benefit.
- the Group is in the process of preparing its 30 June 2024 consolidated income tax return

No deferred tax assets have been recognised as at 30 June 2024.

NOTE 6: KEY MANAGEMENT PERSONNEL COMPENSATION

Refer to the remuneration report contained in the directors' report for details of the remuneration paid or payable to each member of the Group's key management personnel (KMP) for the year ended 30 June 2024.

The totals of remuneration paid to KMP of the company and the Group during the year are as follows:

	Consolidated Group	
	2024	**2023**
	$	**$**
Short-term employee benefits	1,049,052	963,505
Post-employment benefits	47,009	41,112
Share based payments	-	124,669
Total KMP compensation	1,096,061	1,129,286

Short-term employee benefits

These amounts include fees and benefits paid to the executive Chair and non-executive directors as well as all salary, paid leave benefits, fringe benefits and cash bonuses awarded to executive directors and other KMP.

Post-employment benefits

These amounts are the current-year's estimated cost of providing for the Group's superannuation contributions made during the year.

NOTE 7: AUDITORS' REMUNERATION

	Consolidated Group	
Remuneration of the auditor, Walker Wayland NSW Chartered Accountants for:	**2024** **$**	**2023** **$**
– auditing or reviewing financial statements	52,000	62,000
– taxation services	3,255	3,110
	55,255	65,110

NOTE 8: LOSS PER SHARE

		Consolidated Group	
		2024	**2023**
		$	**$**
a.	Loss used to calculate basic and diluted loss per share	(2,548,337)	(3,303,225)
		No.	**No.**
b.	Weighted average number of ordinary shares outstanding during the year used in calculating basic loss per share	224,094,903	224,094,903
	Weighted average number of ordinary shares outstanding during the year used in calculating dilutive loss per share	224,094,903	224,094,903

NOTE 9: CASH AND CASH EQUIVALENTS

Cash at bank	131,744	1,059,403
Term deposits	-	750,000
	131,744	1,809,403

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	131,744	1,809,403
	131,744	1,809,403

NOTE 10: TRADE AND OTHER RECEIVABLES
CURRENT

Trade receivables	694,507	809,186
	694,507	809,186

a. **Provision for Impairment of Receivables**

The directors have considered the recoverability of all trade receivable balances and they are of the opinion that no impairment provision is necessary.

b. **Credit Risk**

The Group has no significant concentration of credit risk with respect to any single counterparty or group of counterparties. The class of assets described as "trade and other receivables" is considered to be the main source of credit risk related to the Group.

The Group has no significant credit risk exposure in any country in which the Group trades.

The balances of receivables that are within initial trade terms (as detailed in the table) are considered to be of high credit quality.

	Gross Amount $	Past Due and Impaired $	Past Due but Not Impaired (Days Overdue) < 30 $	31–60 $	61–90 $	> 90 $	Within Initial Trade Terms $
2024							
Trade and other receivables	691,300	-	65,395	62,928	275	77,117	485,585
Total	691,300	-	65,395	62,928	275	77,117	485,585

	Gross Amount $	Past Due and Impaired $	Past Due but Not Impaired (Days Overdue) < 30 $	31–60 $	61–90 $	> 90 $	Within Initial Trade Terms $
2023							
Trade and other receivables	809,186	-	90,183	67,098	8,642	15,778	627,485
Total	809,186	-	90,183	67,098	8,642	15,778	627,485

NOTE 10: TRADE AND OTHER RECEIVABLES (CONTINUED)

c. **Financial Assets Classified as Trade and Other Receivables**

	Consolidated Group	
	2024	**2023**
	$	**$**
Trade and other receivables:		
– total current	694,507	809,186
Financial assets	694,507	809,186

NOTE 11: INTERESTS IN SUBSIDIARIES & ACQUISITIONS

A. **INFORMATION ABOUT PRINCIPAL SUBSIDIARIES**

The subsidiaries listed below have share capital consisting solely of ordinary shares or which are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group. Each subsidiary's principal place of business is also its country of incorporation.

Name of Subsidiary	Principal Place of Business	Ownership Interest Held by the Group	
		2024	**2023**
		%	**%**
Expense8 Pty Ltd	Australia	100	100
Payhero Holdings Pty Ltd	Australia	100	100
CardHero Pty Ltd	Australia	100	100

Subsidiary financial statements used in the preparation of these consolidated financial statements have also been prepared as at the same reporting date as the Group's financial statements.

NOTE 12: PROPERTY, PLANT AND EQUIPMENT

	Consolidated Group	
	2024	**2023**
	$	**$**
Plant and Equipment		
Plant and equipment:		
At cost	166,599	166,599
Accumulated depreciation	(104,361)	(67,433)
	62,238	99,166

a. **Movements in Carrying Amounts**

Movements in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

	2024	**2023**
	$	**$**
Balance at beginning of year	99,166	13,573
Additions/disposals	-	109,172
Depreciation expense	(36,928)	(23,579)
Balance at end of year	62,238	99,166

NOTE 13: INTANGIBLE ASSETS

	30 June 2024	30 June 2023
	$	$
Goodwill arising on acquisition of Expense8 Pty Ltd	-	1,225,108
Less: Accumulated Impairment	-	(1,225,108)
Total Goodwill	**-**	**-**
Trademark for Expense8 & 8common	4,800	4,800
Total Trademarks	**4,800**	**4,800**
Intellectual property – Expense8	833,000	833,000
Less: accumulated amortisation	(833,000)	(833,000)
	-	-
Development Costs – Expense8	693,388	161,585
Additions(i)	103,315	693,388
Less: accumulated amortisation (ii)	(79,981)	(161,585)
	716,722	693,388
Development Costs – CardHero	1,886,381	2,399,448
Additions	-	-
Less: accumulated amortisation (iii)	(512,722)	(513,067)
	1,373,659	1,886,381
Intellectual property – Payhero	10,000	10,000
	10,000	10,000
Intellectual property – Perform8	900,000	900,000
Less: accumulated amortisation	(900,000)	(900,000)
	-	-
Total Intellectual Property & Development Costs	**2,105,181**	**2,594,569**
Total Intangibles	**2,105,181**	**2,594,569**

(i) Amortisation of the additions only commences when the product is ready for use.

(ii) Travel and Expense Management product development costs are amortised over the period of expected future benefits being between 1 to 5 years. Amortisation is recorded in expenses. During the period of development, the assets are tested annually for impairment.

(iii) CardHero product development costs are amortised over the period of expected future benefits being 5 years. Amortisation is recorded in expenses.

Impairment disclosures

NOTE 13: INTANGIBLE ASSETS (continued)

	Goodwill	Acquired Intellectual property & Trademarks	Software Development Costs – Expense8	Software Development Costs - CardHero	Total
	$	**$**	**$**	**$**	**$**
Consolidated Group:					
Year ended 30 June 2024					
Balance at the beginning of the year	**-**	**14,800**	**693,388**	**1,886,381**	**2,594,569**
Additions	-	-	103,315	-	103,315
Amortisation charge	-	-	(79,981)	(512,722)	(592,703)
	-	**14,800**	**716,722**	**1,373,659**	**2,105,181**
Consolidated Group:					
Year ended 30 June 2023					
Balance at the beginning of the year	1,225,108	14,800	161,585	2,399,448	3,800,941
Additions	-	-	693,388	-	693,388
Impairment	(1,225,108)	-	-	-	(1,225,108)
Amortisation charge	-	-	(161,585)	(513,067)	(674,652)
	-	**14,800**	**693,388**	**1,886,381**	**2,594,569**

Intangible assets, other than goodwill and intellectual property, have finite useful lives. The current amortisation charges for intangible assets are included under depreciation and amortisation expense per the statement of profit or loss. Goodwill has an indefinite useful life and is tested for impairment at least annually. Development costs for the Expense8 product have been amortised since 1 January 2017, while the CardHero product started amortisation from 1 December 2021. During the prior year the group fully impaired the Goodwill of the group related to the purchase of Expense8 Pty Ltd by $1,225,108.

Impairment disclosures

The recoverable amount of the Australian CGU above is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a 5-year period with the period extending beyond 5 years extrapolated using an estimated growth rate. The cash flows are discounted using the company's weighted average cost of capital.

The following key assumptions were used in the value

	Terminal Growth	5 Year Growth Rate	Discount Rate
Australian CGU	2.0%	16.96%	21.79%

NOTE 14: OTHER ASSETS

	Consolidated Group	
	2024	**2023**
	$	**$**
CURRENT		
Prepayments & deposits	109,473	134,761
	109,473	134,761

NOTE 15: FINANCIAL ASSETS

	Note	2024	2023
		$	**$**
Financial assets at fair value through other comprehensive income	(i)	43,459	290,750
		43,459	290,750

Note:

(i) This amount relates to the fair value of the shares held in Cloudaron Group Berhad and based on the market price on the Bursa Stock Exchange as at 30 June 2024. A fair value loss of $83,349 has been recognised as other comprehensive income as a result of movement in the share price and sale of shares of Cloudaron Group Berhad.

As at the date of this report the value of these shares is $579,447 representing an increase of $535,988 since the end of the financial year.

a) Valuation techniques

The Group selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured. The valuation techniques selected by the Group are consistent with one or more of the following valuation approaches:

– Market approach: valuation techniques that use prices and other relevant information generated by market transactions for identical or similar assets or liabilities.
– Income approach: valuation techniques that convert estimated future cash flows or income and expenses into a single discounted present value.
– Cost approach: valuation techniques that reflect the current replacement cost of an asset at its current service capacity.

Each valuation technique requires inputs that reflect the assumptions that buyers and sellers would use when pricing the asset or liability, including assumptions about risks. When selecting a valuation technique, the Group gives priority to those techniques that maximise the use of observable inputs and minimise the use of unobservable inputs. Inputs that are developed using market data (such as publicly available information on actual transactions) and reflect the assumptions that buyers and sellers would generally use when pricing the asset or liability are considered observable, whereas inputs for which market data is not available and therefore are developed using the best information available about such assumptions are considered unobservable.

The following notes (b) and (c) provide the fair values of the Group's assets and liabilities measured and recognised on a recurring basis after initial and their categorisation within the fair value hierarchy:
There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the year ended 30 June 2024.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclose are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:
Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement in unobservable
For assets and liabilities that are recognised at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisations (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs in the fair value measurements during the period.

	30 June 2024		30 June 2023	
	Carrying amount	**Fair value**	**Carrying amount**	**Fair value**
	$	**$**	**$**	**$**
Consolidated Group:				
Financial assets at fair value through other comprehensive income	43,459	43,459	290,750	290,750
Total	**43,459**	**43,459**	**290,750**	**290,750**

The following table provides the fair value measurement hierarchy of the Group's financial assets as at 30 June 2024:

	Fair value measurement using			
	Total	**Quoted prices in active markets (Level 1)**	**Significant observable inputs (Level 2)**	**Significant unobservable inputs (Level 3)**
	$	**$**	**$**	**$**
As at 30 June 2024:				
Financial assets measured at fair value:				
Financial assets at fair value through other comprehensive income	43,459	43,459	-	-
As at 30 June 2023:				
Financial assets measured at fair value:				
Financial assets at fair value through other comprehensive income	290,750	290,750	-	-

NOTE 16: TRADE & OTHER PAYABLES

	Consolidated Group	
	2024	**2023**
	$	**$**
Unsecured liabilities:		
Trade payables	766,543	1,590,721
Other payables	253,478	-
Sundry payables and accrued expenses	176,587	191,125
Australian Tax Office - GST & PAYG payable	621,772	204,082
	1,818,380	1,985,928

The Other payables amount relates to expenses paid by the Executive Chairman on behalf of the group. The full balance payable is unsecured, interest free and payable at call. Included in the ATO payable is an amount of $386,123 relating to GST and PAYG which is subject to a payment plan with the ATO and which is being settled on a monthly basis with the final payment due on 2 December 2024.

a. **Financial liabilities at amortised cost classified as trade and other payables**		
Trade and other payables:		
– total current	1,818,380	1,919,515
Financial liabilities as trade and other payables	**1,818,380**	**1,919,515**

NOTE 17: CONTRACT LIABILITIES

Contract liabilities:	284,676	380,767
Total	**284,676**	**380,767**

Contract liabilities represent services billed by the Group in advance of meeting its performance obligations to the customer. These obligations typically exist for 12 months and as such are classified as a current liability.

NOTE 18: PROVISIONS

Analysis of total provisions

	Consolidated Group	
	2024	**2023**
	$	**$**
Current – leave	404,402	259,842
Non-current – leave	69,829	128,709
	474,231	388,551
Balance at beginning of year	388,551	338,064
Additions in the year/(amounts used)	85,680	50,487
Balance at end of year	474,231	388,551

Provision for Employee Benefits

Provision for employee benefits represents amounts accrued for annual leave and long service leave.

The current portion for this provision includes the total amount accrued for annual leave entitlements that have vested due to employees having completed the required period of service. Based on past experience, the Group does not expect the full amount of the annual leave balance classified as current liabilities to be settled within the next 12 months. However, these amounts must be classified as current liabilities since the Group does not have an unconditional right to defer the settlement of these amounts in the event employees wish to use their leave entitlement.

The non-current portion for this provision includes amounts accrued for long service leave entitlements that have not yet vested in relation to those employees who have not yet completed the required period of service.

In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been discussed in Note 1(j).

NOTE 19: CONTRIBUTED EQUITY

	Date	Price	No.	$
Balance as at 30 June 2023			**224,094,903**	**16,946,815**
Shares Issued			-	-
		Total	**-**	**-**
Balance as at 30 June 2024			**224,094,903**	**16,946,815**

Ordinary shares participate in dividends and the proceeds on winding-up of the parent entity in proportion to the number of shares held.

At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

a. **Capital Management**

Management controls the capital of the Group in order to maintain a sustainable debt to equity ratio, generate long-term shareholder value and ensure that 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.

Management effectively 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 in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

	Consolidated Group	
	2024	**2023**
	$	**$**
Total borrowings	-	-
Less cash and cash equivalents	(131,744)	(1,809,403)
Net Debt	(131,744)	(1,809,403)
Total equity	569,315	3,049,002
Total capital	16,946,815	16,946,815
Gearing ratio	0%	0%

NOTE 20: CAPITAL AND LEASING COMMITMENTS

The company does not have any capital or operating leases and accordingly has no commitments to report.

NOTE 21: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or contingent assets as at the date of this annual report.

NOTE 22: CASH FLOW INFORMATION

		Consolidated Group	
		2024	2023
		$	$
a.	**Reconciliation of Cash Flow from Operations with Loss after Income Tax**	(2,396,338)	(3,303,225)
	Non-cash flows in profit:		
	- Amortisation	592,703	674,652
	- Depreciation	36,928	23,579
	- Non-cash share based payment	-	190,166
	- Impairment of goodwill	-	1,225,108
	- Reversal of accruals	(247,485)	(199,642)
	Changes in assets and liabilities, net of the effects of purchase and disposal of subsidiaries		
	- (Increase)/Decrease in trade and other receivables	117,886	483,761
	- Decrease/(Increase) in other assets	25,288	61,628
	- (Decrease)/Increase in trade payables, accruals and contract liabilities	101,135	528,461
	- Decrease / (Increase) in deferred tax assets	-	-
	- Increase in provisions	85,680	50,486
	Cash flow from Operating activities	(1,684,203)	(265,026)

b. **Acquisition of Entities**

Refer to Note 11: Interests in subsidiaries

NOTE 23: ASSET REVALUATION RESERVE

Asset revaluation reserve relates to unrealised gain or loss on the revaluation of financial assets held at fair value through other comprehensive income.

NOTE 24: EVENTS AFTER THE REPORTING YEAR

There have been no events after the end of the financial year.

NOTE 25: OPERATING SEGMENTS

The Group operates in the Expense management software industry in Australia. The chief operating decision makes are provided with consolidated information when assessing strategic and operating decisions.

NOTE 26: RELATED PARTY TRANSACTIONS

Related Parties

a. **The Group's main related parties are as follows:**

(i) *Entities exercising control over the Group:*

The ultimate parent entity that exercises control over the Group is 8common Limited, which is incorporated in Australia.

(ii) *Key management personnel:*

Any person(s) having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity, are considered key management personnel.

(iii) *Other related parties:*

Other related parties include entities controlled by the ultimate parent entity and entities over which key management personnel have joint control.

b. **Transactions with related parties:**

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

The following transactions occurred with related parties:

A company that Mr Lim is an owner of 8capita Sdn Bhd, provided outsourced labour hire to the group during the year. The total value of the services provided for the current year was $553,516 (2023: $615,659). As at 30 June 2024, there was a balance payable of $86,964 to 8capita Sdn Bhd.

During the year, Mr Nic Lim paid operating expenses on behalf of the group amounting to $253,478 (2023: nil). As at 30 June 2024, this balance was due and payable to Mr Nic Lim. The full balance payable is unsecured and interest free and is included in Other payables.

A company that Mr Grujic is a part owner of Bespoke Insurance Group Pty Limited, provided insurance services to the group during the year. The total value of the services provided for the current year was $155,586 (2023: $127,914). As at 30 June 2024, there was a balance payable of $1,777 to Bespoke Insurance Group Pty Limited.

NOTE 27: FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, account receivable and payables, loans to and from subsidiaries, bills and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139: *Financial Instruments: Recognition and Measurement* as detailed in the accounting policies to these financial statement, are as follows:

	Note	Consolidated Group	
		2024	**2023**
		$	**$**
Financial assets			
Cash and cash equivalents	9	131,744	1,809,403
		131,744	1,809,403
Trade and other receivables	10	691,300	809,186
Financial assets at fair value through other comprehensive income	15	46,665	290,750
		737,965	1,099,936
Total financial assets		869,709	2,909,339
Financial Liabilities			
Financial liabilities at amortised cost:			
- trade and other payables	16	1,818,380	1,919,515
Total financial liabilities		1,818,380	1,919,515

Financial Risk Management Policies

The Audit Committee has the responsibility of managing the financial risk exposures of the consolidated group. The consolidated entity's activities expose it to a variety of financial risks: market risks (including foreign currency risk and interest rate risk), credit risk and liquidity risk. The consolidated entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The Committee's overall risk management strategy seeks to assist the consolidated group in meeting its financial targets, while minimising potential adverse effects on financial performance.

Specific Financial Risk Exposures and Management

The main risks the Group is exposed to through its financial instruments are credit risk, liquidity risk and market risk consisting of interest rate risk, foreign currency risk. There have been no substantive changes in the types of risks the Group is exposed to, how these risks arise, or the Board's objectives, policies and processes for managing or measuring the risks from the previous year.

a. **Credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the consolidated group. The consolidated groups has adopted a policy of generally dealing with reputable counterparties as a means of mitigating the risk of financial loss from defaults

Trade receivables consist of a large number of customers and ongoing credit evaluation is performed on the accounts regularly. The consolidated entity does not have any significant credit risk exposure to any single counterparty or any group of counterparties. The carrying amounts of financial assets recorded in the financial statements, net of any allowance for losses, represent the consolidated entity's maximum exposure to credit risk.

b. **Liquidity risk**

Ultimate responsibility for liquidity risk management rests with the Board of Directors, who has built an appropriate liquidity risk management framework for the management of the consolidated entity's short, medium and long-term funding and liquidity management requirements. The consolidated entity manages liquidity by maintaining adequate reserves and by continually monitoring forecast and actual cash flows and matching the maturity profiles of financial assets with financial liabilities.

	Within 1 Year	1 to 5 Years	Over 5 Years	Total
	2024	**2024**	**2024**	**2024**
Consolidated Group	**$**	**$**	**$**	**$**
Financial liabilities due for payment				
Trade payables	1,818,380	-	-	1,818,380
Total contractual outflows	**1,818,380**	**-**	**-**	**1,818,380**

	Within 1 Year	1 to 5 Years	Over 5 Years	Total
	2023	**2023**	**2023**	**2023**
Consolidated Group	**$**	**$**	**$**	**$**
Financial liabilities due for payment				
Trade payables	1,919,515	-	-	1,919,515
Total contractual outflows	**1,919,515**	**-**	**-**	**1,919,515**

c. **Fair values**

The fair values of financial assets and financial liabilities at balance date equate to their carrying values.

d. **Market risk**

(i) *Interest rate risk:*

Exposure to interest rate risk arises on financial assets and financial liabilities recognised at the end of the reporting year whereby a future change in interest rates will affect future cash flows or the fair value of fixed rate financial instruments. Interest rate risks on interest earning cash balances are not considered material.

(ii) Foreign currency risk

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. Other than supplier invoices denominated in foreign currencies and the financial assets held in Cloudaron Group Berhad (listed on Bursa Malaysia CLOUD:MK) as per note 15, the Group did not have any material transactions denominated in foreign currency and was not significantly exposed to foreign currency risk through foreign exchange rate fluctuations.

(iii) Fair Market Value

The fair value of the groups Cloudaron Group Berhad investment is subject to movements in the share price of Cloudaron on the Bursa Malaysia Stock Exchange. Every movement of 1 MYR in the share price will have an approximate $28k positive or negative impact on the carrying value of the investment and other comprehensive income. As at the date of this report the value of these shares is $579,447.

NOTE 28: SHARE BASED PAYMENTS

Employee Share Option Plan

The Group established the 8common Employee Share Option Scheme (ESOS) on 27 November 2020 as a long-term incentive scheme to recognise talent and motivate employees to strive for group performance. All employees are entitled to participate in the share option scheme. Employees are granted options which vest over two years. The options are issued for no consideration and carry no entitlements to voting rights or dividends of the Group. The number available to be granted is determined by the Board and is based on performance measures including growth in shareholder return, return on equity, cash earnings and Group earnings per share growth.

Further details of these options are provided in the directors' report. The options hold no voting or dividend rights and are unlisted. The options lapse within 30 days when a key management personnel ceases their employment with the Group should they not exercise their option.

	Number	**Weighted Average exercise price $**
Balance as at beginning of the year	**20,014,594**	0.13
Options lapsed during the year	(6,075,000)	0.16
Options granted during the year	-	-
Balance as at 30 June 2024	**13,939,594**	**0.117**

The weighted average remaining life of options outstanding at year-end is 1.31 years. The average exercise price of outstanding options at the end of the reporting period is $0.117.

The fair value of the options granted to employees is considered to represent the value of the employee services received over the vesting period.

The weighted average fair value of options vested during the year was $NIL (2023: $190,166). These values were calculated using the Black-Scholes option pricing model applying the following inputs:

Grant Date	**30 June 2023**	**30 November 2022**	**30 June 2022**	**30 November 2021**	**15 December 2021**
Number options issued	4,774,594	800,000	6,740,000	1,175,000	450,000
Weighted average exercise price:	$0.08	$0.13	$0.13	$0.16	$0.20
Weighted average life of the option:	2 years 11 mths	3 years	2 years 11 mths	3 years	3 years
Expected share price volatility:	60.0%	60.0%	60.0%	60.0%	60.0%
Risk-free interest rate:	0.99%	0.99%	0.99%	0.99%	0.99%
Fair value per option	$0.02	$0.03	$0.03	$0.04	$0.04

Historical volatility has been the basis for determining expected share price volatility as it is assumed that this is indicative of future movements.

The life of the options is based on the historical exercise patterns, which may not eventuate in the future.

The remaining Share based payment reserve of $1,058,941 as at 30 June 2024 (2023: $1,330,387) relates to employee share option reserve recognised as expenses on valuation of the employee share options.

NOTE 29: COMPANY DETAILS

The registered office of the company is:

8common Limited
Level 11, Suite 11.01
60 Castlereagh Street
SYDNEY NSW 2000

The principal places of business are:

- 8common Limited
  Expense8 Pty Limited
  Suite 5.08
  Level 4
  15 Moore Street
  CANBERRA ACT 2601

		Body Corporate		Tax residency	
Entity Name	**Entity type**	**Place formed or incorporated**	**% of share capital held**	**Australian or foreign**	**Foreign jurisdiction**
8common Ltd	Body Corporate	Australia	100%	Australian	N/A
Expense8 Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
Payhero Holdings Pty Ltd	Body Corporate	Australia	100%	Australian	N/A
CardHero Pty Ltd	Body Corporate	Australia	100%	Australian	N/A

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of 8common Limited, the directors of the company declare that:

1. the financial statements and notes, as set out on pages 26 to 55 are in accordance with the Corporations Act 2001 and:
   a. comply with Australian Accounting Standards, Corporations Regulations 2001 and as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards (IFRS);
   b. give a true and fair view of the financial position as at 30 June 2024 and of the performance for the year ended on that date of the consolidated group; and
   c. the information disclosed in the consolidated entity disclosure statement is true and correct.

2. in the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
3. the directors have been given the declarations required by s 295A of the Corporations Act 2001 from the Chief Executive Officer and Chief Financial Officer.

…….

Kah Wui "Nic" Lim

Director

Dated this 28 day of August 2024

Malaysia

Walker Wayland NSW
Chartered Accountants

ABN 55 931 152 366

Level 11, Suite 11.01
60 Castlereagh Street
SYDNEY NSW 2000

GPO Box 4836
SYDNEY NSW 2001

Telephone: +61 2 9951 5400
Facsimile: +61 2 9951 5454
mail@wwnsw.com.au

Website: www.wwnsw.com.au

INDEPENDENT AUDIT REPORT TO THE MEMBERS OF 8COMMON LIMITED

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report of 8common Limited (the Company) and its controlled entities (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, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement, and the directors' declaration.

In our opinion the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
- complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibility for the Audit of a Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (Including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Relating to Going Concern

We draw attention to Note 1(a) *Going concern basis of accounting* of the financial report, which indicates that for the year ended 30 June 2024, the Group has incurred a net loss after tax of $2,548,338 (2023: Loss $3,303,225) and a net cash outflow from operations of $1,684,203 (2023: outflow $265,026). As at 30 June 2024, the Group had a total cash balance of $131,744 (2023: $1,809,403) and net current liabilities of $1,723,734 (2023: net current assets of $193,226). The Group's ability to continue as a going concern is dependent, collectively on its ability to generate positive cash flows from operations and its ability to obtain sufficient funding to settle its debts as and when they fall due.

These conditions above, along with other matters set forth in Note 1(a) *Going concern basis of accounting* indicate that there are risks that the Group may have insufficient funds to be able to pay its debts as and when they fall due and therefore material uncertainties exist that may cast significant doubt on the Group's ability to continue as a going concern thereby realising its assets and extinguish its liabilities in the normal course of business at the amounts stated in the financial report.

Our opinion is not modified in respect of this matter.

Key Audit Matters

The key audit matters ("KAM") are the matters that, in our professional judgement, were of most significance in our audit of the financial report for the current year. The matters were addressed in the context of our audit of the financial report, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	**How our audit addressed the KAM**
Capitalised Development Costs – Recognition and Carrying Value (Note 13 Intangible Assets) Capitalised software development costs at 30 June 2024 have a net carrying value in the consolidated statement of financial position of $2,090,381 (2023: $2,579,769) in relation to the Expense8 and CardHero suite of products. AASB 138 *Intangible Assets* requires that specific criteria are met in order to capitalise development costs. The Expense8 costs are being amortised over a period of 1 to 5 years as this is the period over which management expects to generate future economic benefits. The CardHero product development costs are amortised over the period of expected future benefits being 5 years. This area is a key audit matter due to subjectivity and management's estimates applied in the assessment of whether the costs meet the capitalisation criteria of AASB 138 and in determining the useful life of the products that forms the basis for the amortisation period.	**Our procedures included, amongst others:** • assessing the group's accounting policy in respect of software development costs for adherence to AASB 138; • testing a sample of amounts capitalised to supporting documentation and assessing compliance with the recognition criteria of AASB 138; • recalculating the amortisation expense of assets available for use; • assessing the reasonableness of the amortisation period by reference to comparable market data; and • assessing the adequacy of related disclosures within the financial report.

Key audit matters	How our audit addressed the KAM
Revenue Recognition (Note 3a Revenue) The Group has recognised revenue from continuing operations of $8,123,310 as set out in Note 3a. Revenue is based on detailed customer contracts that contain different pricing schedules and varying revenue recognition performance obligation triggers. Complexity exists because of the specific nature of each customer contract which can include license fees, maintenance fees, change requests, implementation fees and consulting fees. Management's judgement and estimate are required to determine the amount of revenue to be recognised. Revenue recognition is a key audit matter due to the significance of revenue to the financial statements and the specific nature of the customer contracts.	**Our procedures included, amongst others:** • assessing the revenue recognition policy; and compliance with AASB 15 *Revenue from Contracts with Customers*; • testing a sample of revenue recognised to contracts with customers; • testing a sample of revenue transactions by agreeing them to invoices, bank statements and contracts (where applicable); • testing a sample of revenue recognised to evidence of the performance obligations satisfied and deliverables to customers; • testing a sample of deferred revenue balances by agreeing amounts to invoices, bank statements and contracts. • assessing the adequacy of related disclosures within the financial report.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024 but does not include the financial report and our auditor's report thereon. Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

a) the financial report (other than the consolidated entity disclosure statement) 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:

ii. the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
iii. 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 company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report
Our responsibility is to express an opinion on the financial report based on our audit. Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee than an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion

We have audited the Remuneration Report included the Directors' Report on pages 19 to 24 for the year ended 30 June 2024. In our opinion, the Remuneration Report of 8common Limited for the year ended 30 June 2024, complies with Section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Group 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.

Walker Wayland NSW

Walker Wayland NSW
Chartered Accountants

Edward Chow
Partner

Dated this 28th of August 2024, Sydney

The following information is current as at 25 August 2024.

1. **Shareholding**

a. **Distribution of Shareholders**

Category (size of holding):	Number Ordinary Share	Number Options
1 – 1,000	41	-
1,001 – 5,000	84	-
5,001 – 10,000	198	-
10,001 – 100,000	404	11
100,001 and over	169	33
	896	44

b. The number of shareholdings held in less than marketable parcels is 372.

c. The names of the substantial shareholders listed in the holding company's register are:

Holder Name	Holding Balance
Microequities	29,499,626
Kah Wui "Nic" Lim	27,131,121
Kok Fui Lau	17,224,886
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	14,817,029
BARBRIGHT AUSTRALIA PTY LTD	13,164,313

d. **Voting Rights**

The voting rights attached to each class of equity security are as follows:

Ordinary shares

– 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.

e. There is no current corporate buyback.

20 Largest Shareholders - Ordinary Shares

No	Holder Name	Holding	%
1	Microequities	29,499,626	13.16%
2	Kah Wui "Nic" Lim	27,131,121	12.11%
3	Kok Fui Lau	17,224,886	7.69%
4	HSBC Custody Nominees (Australia) Limited	14,817,029	6.61%
5	Barbright Australia Pty Limited	13,164,313	5.87%
6	Maxwealth Capital Limited	9,926,652	4.43%
7	National Nominees Limited	5,977,507	2.67%
8	Austral Capital Pty Limited	4,750,000	2.12%
9	Castlereagh Holdings Pty Limited	4,508,197	2.01%
10	Mr Chen Huah Chee	4,499,985	2.01%
11	Borrman Holdings Pty Limited	4,037,819	1.80%
12	Mr Damien Matthew Booth	3,038,128	1.36%
13	BNP Paribas Nominees Pty Limited	2,445,363	1.09%
14	Asset Growth Fund Pty Limited	2,300,000	1.03%
15	CITICORP Nominees Pty Limited	2,093,658	0.93%
16	Mr Titus Xien Tat Hui	2,010,000	0.90%
17	BNP Paribas Nominees Pty Limited	1,874,901	0.84%
18	Pricefam Pty Limited	1,700,000	0.76%
19	Marcus Dell Pty Limited	1,559,185	0.70%
20	Mr Rajeev Kapur & Mrs Rachita Kapur	1,525,000	0.68%
	Total	**154,083,370**	**68.76%**

ADDITIONAL INFORMATION FOR LISTED PUBLIC COMPANIES

Directors	Kah Wui Lim (Chairman) Adrian Bunter John Du Bois Kok Fui Lau
CEO	Andrew Bond
Company Secretary	Zoran Grujic
Corporate Governance Statement	Refer to http://www.8common.com/wp-content/uploads/2015/03/Corporate-Governance-Statement1.pdf
Registered Office	Level 11, Suite 11.01, 60 Castlereagh Street, SYDNEY NSW 2000
Principal place of Business	Suite 5.08, Level 4 15 Moore Street Canberra ACT 2601
Share Registry	Automic Registry Services Level 5, 126 Phillip Street, SYDNEY NSW 2000
Auditor	Walker Wayland NSW Chartered Accountants Level 11, Suite 11.01, 60 Castlereagh Street, SYDNEY NSW 2000
Stock Exchange Listing	8common Limited and Controlled entities shares are listed on the Australian Securities Exchange (ASX code: 8CO)
Web site	www.8common.com

8common

Suite 5.08, Level 4
15 Moore Street
Canberra ACT 2601

ASX:8CO