Janus Electric Ltd

Annual Financial Report

For the financial year ended 30 June 2023

Contents

Janus Electric Ltd

Compilation Report

We have compiled the acgrouping general purpose financial statements of Janus Electric Ltd which comprise the aggregated statement of financial position as at 30 June 2023, statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the year then ended, a summary of significant accounting policies and other explanatory notes.

THE RESPONSIBILITY OF THE DIRECTORS

The Directors of Janus Electric Ltd are solely responsible for the information contained in the general-purpose financial statements, the reliability, accuracy, and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

OUR RESPONSIBILITY

Based on information provided by the Directors of Janus Electric Ltd we have compiled the acgrouping general purpose financial statements in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315 Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of the APES 110 Code of Ethics for Professional Accountants.

Our procedures use accounting expertise to collect, classify and summarise the financial information which the Directors provided in compiling the financial statements. Our procedures do not include verification or validation procedures. No audit or review has been performed, and accordingly, no assurance is expressed.

The general-purpose financial statements were compiled exclusively for the benefit of the Directors of Janus Electric Ltd.

To the extent permitted by law, we do not accept liability for any loss or damage that any person, other than Janus Electric Ltd, may suffer arising from any negligence on our part.

No person should rely on the general-purpose financial statements without having an audit or review conducted.

KPMG

KPMG

Dated: 22-Feb-2024

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Directors Report

The Directors present their report together with the aggregated financial statements of Janus Electric Ltd (the "Group") for the year ended 30 June 2023.

1. Directors

The Directors of the parent group at any time during or since the end of the financial year are:

Tony Fay	Appointed 09/02/2021
David Nothdurft	Appointed 06/10/2020, resigned on 15/12/2023
Bevan Dooley	Appointed 07/07/2020
Alexander Forsyth	Appointed 15/12/2023

2. Chairman Letter - Tony Fay

The year ending June 30, 2023, has seen significant advancement from the team at Janus.

We now have over 40 employees at our Berkeley Vale headquarters and have converted 19 trucks at the time of writing. The safety of our team is paramount, and I am pleased to report that we had only one Lost Time Injury (LTI), a sprained ankle, for the year. Several Medical Treatment Injuries (MTI) were reported, and work practices were reviewed and where necessary amended to reduce the risk of further MTI.

Despite the distraction of being in perpetual equity-raising mode, Management has been able to advance the business and we now have a go-to-market product that has attracted over 120 firm orders for truck conversions from some of Australia's leading fleets.

We are seeing regular revenue from trucks in commercial applications. Battery rental, charging and authentication fees, usage fees, and subscription fees are all being tracked, monitored, and invoiced through the Janus Ecosystem software.

State Governments in Victoria, South Australia, and recently in NSW have agreed to weight allowances for Zero Emission Vehicles (ZEV). The changes in legislation put ZEV on an even footing with existing ICE vehicles in relation to payload and routes that can be accessed. These changes are good news for the entire ZEV industry, and we have seen a big uptick in the level of enquiry as a direct result of the legislative changes. On October 3rd, we were pleased to welcome NSW Premier Chris Minns and NSW Transport Minister Jo Haylen to the Janus facility to announce the changes to NSW legislation to accommodate ZEV on NSW roads.

Janus has established a presence in the USA and is currently well down the track of applying for California Air Resources Board (CARB) certification of the Janus drivetrain. Successful certification will allow US customers who choose the Janus conversion access to significant (circa $US100k) incentives to convert existing fleets from ICE to the Janus solution. Initial contact with US-based fleets has been positive. The push for ZEV solutions in the heavy transport sector in the US, particularly in California, is extremely strong and the timetable for the introduction of ZEV is very aggressive. We believe that the US market will be extremely rewarding for Janus over the next 5/10-year period.

In addition to interest from the US, we have seen interest from several other countries with active discussions currently underway with entities in New Zealand, Singapore, and Europe. The underlying driver of these discussions is the inability of OEMs to provide enough products to satisfy the aggressive timetables that governments are setting for the decarbonization of the freight task.

On the capital front, Janus has found it extremely difficult to raise funds from existing shareholders and the Australian investment community amidst the backdrop of a global slowdown in capital markets activity, particularly for early-stage companies. The lack of capital has slowed production, battery procurement, and truck delivery. We are continually working to find a capital solution and or a partner that will ensure Janus thrives and is able to meet the significant demand for its product.

The underlying thesis for your investment in Janus has not changed.

Directors Report

1) Push from governments to decarbonize the freight industry.
2) Janus retrofit provides a practical and economically viable solution for fleet owners.
3) Janus swappable battery allows trucks to keep rolling – not parked up to charge.
4) OEMs can only replace 5% of the fleet each year.

Finally, I would like to thank the team at Janus for their dedication to the task of providing an Australian solution to a worldwide problem.

Directors Report

3. Chief Executive Officer – Alexander Forsyth

3.1 Corporate and Financials

3.1.1 Capital Raise

The capital raise has been ongoing since April 2023. We are currently in discussions with several potential investors, both domestic and international, and are optimistic that the process will be finalised soon.

3.2 Business Development

Please refer to the tables below for an overview of our business development for Australia and the United States of America.

3.2.1 Trucks

Trucks – Confirmed Australian Orders

Client	Trucks for Conversion	Revenue $AU	Delivered	
			22/23 FY	23/24 FY
Adbri/Hytec	1	$175,000		1 of 1
Brady & Kibble	2	$350,000		
Cement Australia	1	$115,000	1 of 1	
Cement Australia	6	$1,125,000	2 of 6	4/6
CHL	10	$1,650,000		
Diamond Bros	1	$175,000		In Build
Fennell Forestry	1	$135,000		1 of 1
Geoff Pro	1	$150,000		
JR Richards & Sons	1	$175,000		In Build
Newcold	2	$350,000		2 of 2
NJ Ashton	2	$350,000		1 of 2
Qube	1	$150,000		1 of 1
Qube Bulk (Pilbara)	2	$400,000		In Build
Regroup	30	$6,000,000		
Regroup Flinders Mine	30	$6,000,000		
Symons Clark	50	$7,500,000		
TOTAL	**141**	**$24,800,000**		

Trucks – Confirmed United States of America Orders

Client	Trucks for Conversion	Revenue Forecast $AU	Delivered
Ability Tri Model	5	$750,000	TBA
Golden State	5	$750,000	TBA
TOTAL	**10**	**$1,500,000**	

Directors Report

Trucks – Expressions of Interest Australia			
Client	Trucks for Conversion	Revenue Forecast $AU	Delivered
Aurizon	2	$350,000	N/A
Cement Australia	45	$7,425,000	N/A
Divalls	1	$165,000	N/A
Essential Energy	1	$165,000	N/A
Fennell Forestry	15	$2,475,000	N/A
Holcim	5	$825,000	N/A
Jim Pearson Transport (JPH1 Pty Ltd)	50	$8,250,000	N/A
Qube Bulk	60	$9,900,000	N/A
Veolia	1	$165,000	N/A
Team Transport	2	$330,000	N/A
RFH	1	$165,000	N/A
TOTAL	**183**	**$30,215,000**	

3.2.2 Janus Charge & Change Stations

JCCS – Australia			
Client	JCCS Deployed	Asset $AU	Delivered
Janus Electric	6	$551,364	4 delivered in FY23*, 2 delivered in FY24
TOTAL	**6**	**$551,364**	

JCCS – Australia			
Client	JCCS Deployed	Revenue $AU	Delivered
Cement Australia	1	$225,000	March 2023
Qube	2	$450,000	October ‘23, January ‘24
TOTAL	**3**	**$675,000**	

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JCCS – United States of America			
Client	JCCS Deployed	Revenue Forecast $AU FY24	Delivered
Ability Tri Modal	2	$350,000	TBA
Golden State	1	$175,000	TBA
TOTAL	**3**	**$525,000**	

*$367,576 has been capitalized in FY23

Directors Report

3.2.3 Janus Side Batteries

JSB – Australia			
Client	JCCS Deployed	Asset $AU	Delivered
Janus Electric	9	$1,425,537	FY24
TOTAL	**9**	**$1,425,537**	

JSB – Australia			
Client	JCCS Deployed	Sale and lease back cashflow $AU	Delivered
Australian Venture Investments	4	$660,000	FY23
Qube	2	$440,000	FY24
TOTAL	**6**	**$1,100,000**	

$633,572 has been capitalised in FY23

3.2.4 Dealerships

Dealerships – Confirmed Partners		
Dealership	State	Location
Archer Heavy Equipment Repairs	South Australia	Adelaide
Outback Mining	South Australia	Port Augusta
Joyce Mechanical	Queensland	Mackay
Elite Mechanical	Victoria	Melbourne

3.2.5 Janus Change & Charge Stations

We are establishing a network of charge stations across the East Coast and into South Australia. Our current locations are:

- Berkeley Vale, NSW
- Moorebank, NSW – The Janus team is on track to have the first public-use Charge and Change Station operational by early January 2024 at the solar-powered industrial estate in Moorebank. We will be utilising the 20" Containers for the first 2-years, and then relocate to our permanent long-term location with the Robotic Charge and Change station, projected to occur in 2026.
- Brooklyn, VIC – NewCold's premises which soon expand as they are converting more vehicles.
- Port Melbourne, VIC –Cement Australia's location where they have 7 converted vehicles operating.
- Mount Gambier, SA
- Port Augusta, SA
- Adelaide, SA – located at Symons Clark, this charge and change station will be open for public use.

3.2.6 Vehicle Trials

3.2.6.1 Fennel Forestry Trial

As reported in the previous CEO Report, Fennell Forestry took delivery of their Kenworth T609 in March 2023. There have been some teething issues with cells in the batteries, however, this has been rectified and the vehicle is operating 24 hours per day 5 days per week. The attached case study shows how the vehicle performed on a long-haul run. The Truck has now completed 58000 km's and over 277 battery swaps.

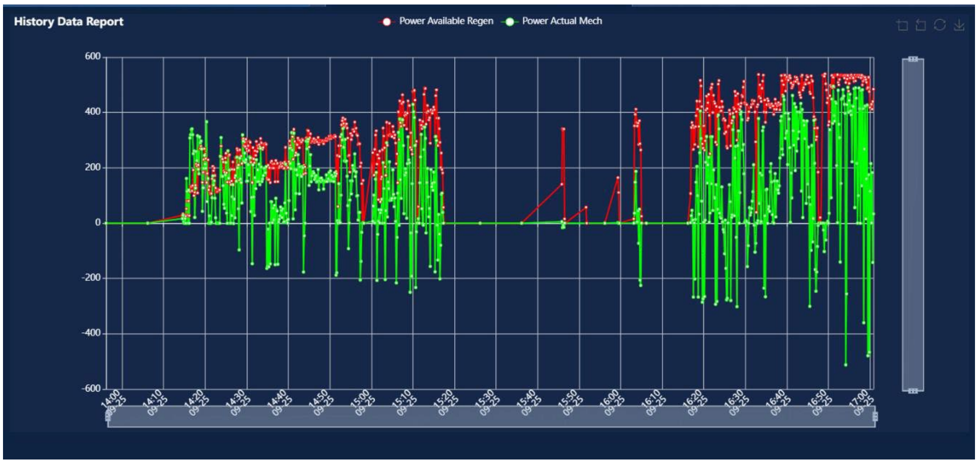
Directors Report

3.2.6.2 Qube/BHP (Oz Minerals) Trial

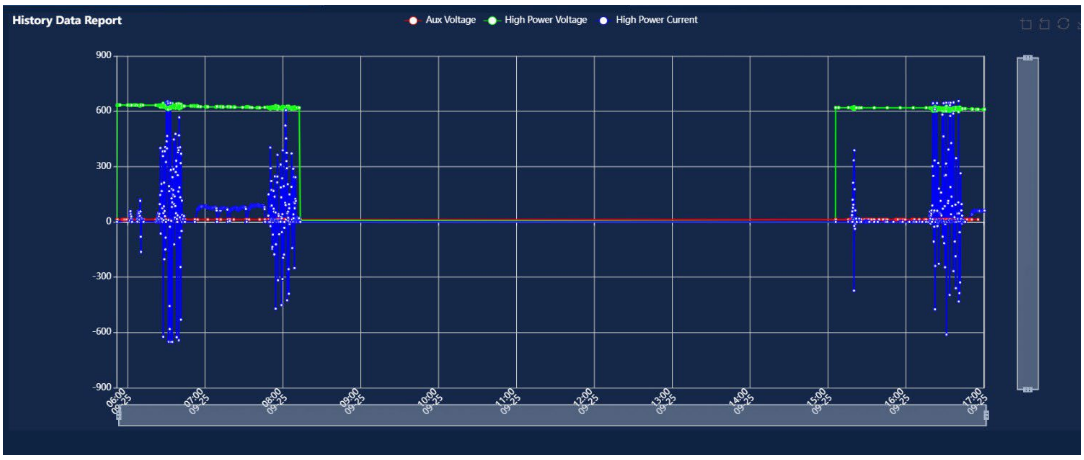
Qube took delivery of the vehicle in April 2023. Due to South Australian legislation, we were unable to commence trials. The first trial was undertaken in mid-September which highlighted how the vehicle is operating and that further trials be scheduled to show the capabilities of the vehicle. This truck has now been moved to Bunbury for trials in another operation with Qube.

3.3 Software Development

The Janus Ecosystem Software is operational and continues to be improved to provide more concise data for the fleet owner and Janus. The analytical data that we can obtain from the Ecosystem shows how the vehicle is being operated, battery health and performance, track the vehicle, and what energy is being generated and consumed. This data highlights what changes can be made by the driver to improve energy use and ensure the efficiency of the battery and vehicle.



Fennell Forestry Kenworth T609, on September 9, 2023 – showing the actual power and regenerative power available.



Cement Australia JET403, on September 25, 2023 - showing the auxiliary voltage, high power voltage and high-power current.

Directors Report

Qube Trial - Port Augusta Charge & Change Station, Bay 2 – Total Power, and Cell Voltage.

3.4 Marketing

3.4.1 Media

We continue to gain interest on a global scale, with interest coming from publications such as the Financial Times and on a domestic level, the ABC. We were fortunate that on October 2, 2023, the NSW Premier and NSW Transport Minister announced their pathway legislation for zero-emission heavy vehicles, allowing an extra 2 tonnes to be distributed where required.

We have been invited again this year to the Hunter Innovation Festival (HIF) where we are displaying a converted Cement Australia Kenworth T403. The HIF is linked to the Hunter Manufacturing Awards held on October 20. Janus has been shortlisted in 3 categories – Best Start-up, Best Manufacturer, and Apprentice of the Year, with our apprentice Justin Lanesbury.

There has been an increase in visitors to the website, LinkedIn and Facebook being our primary sources of promotion. We now have 3,585 followers on LinkedIn, with over 1,090 followers on Facebook.

3.5 Human Resources

3.5.1 Employees

Janus Electric in Australia has a team of 8 contractors and 36 permanent team members. We recently appointed Fiona Sun as our Financial Controller in September, and she is proving to be an asset to the business. Recruitment has slowed down due to the capital raise, and we have experienced little staff turnover with only 2 team members resigning to go on to other opportunities.

3.5.2 Workplace Health & Safety

We have been monitoring our LTI and MTI consistently since November 2022 we moved from the research and development phase to a commercial operation. Each morning in the Toolbox meetings, the Team Leads discuss any safety concerns and the correct procedures to follow if an incident occurs. Team Leads and Management are ensuring these procedures are followed. The below incidents have occurred since the previous CEO Report submitted in May 2023.

- LTI – Nil to report
- MTI – Please refer to the table below.

Directors Report

Month	Division	Number of Incidents	Injury	Rectification
August	Conversion Team	1	Cut finger	Gloves to be worn
September	Conversion Team	1	Head bump	Concentrate on the job at hand
September	Conversion Team	1	Cut to head	Mindful of surroundings
September	Battery Team	1	Cut finger	Gloves to be worn

3.6 Government

3.6.1 Departments of Transport

We have continued to work closely with each state's Department of Transport to have the steer and drive weights increased due to the weight of the battery on the vehicle. This will be applicable to all battery-electric heavy vehicles that drive on Australian roads.

State	Legislation
Queensland	From our discussions, there has been no development of any legislation or permits to allow battery-electric heavy vehicles on Queensland roads.
New South Wales	Premier Minns released the “Towards Net Zero Emissions Freight Policy” on October 3, 2023. This allows an extra 2 tonnes of weight to be distributed on the vehicle. Additionally, they have released a website where the driver of the vehicle can plan their journey to ensure that they only drive on roads and bridges that are able to hold the extra weight.
Victoria	Victoria will allow battery-electric heavy vehicles to drive on Victorian roads in consultation with the department on which routes are allowed to ensure that they only drive on roads and bridges that are able to hold the extra weight.
Tasmania	No development
South Australia	South Australia released their decision on September 29th, where they have allowed on pre-approved state-controlled roads with 7.5t on the steer axle and 18.5t on the tandem drive axle.
Northern Territory	No development
Western Australia	No development
Australian Capital Territory	No development

3.7 United States of America

Anne Devine was appointed the CEO of the Janus Electric Inc operation in January 2023. Since her appointment, she has achieved the following milestones.

3.7.1 Corporate

- Liaised with the appointed legal firm, Wilsons, to ensure all milestones for establishing Janus Electric Inc were obtained.

Directors Report

- Completed C-Corp documentation.
- Established a business bank account.

3.7.2 Commercials

- Booked sales of the first 2 trucks in the USA, including a Janus Charge and Change Station, and 4 Side Batteries. The deposit of $100,000 has already been paid.
- Signed on the first dealership in California that will complete these conversions.
- Engaged in meetings with a multitude of potential customers and dealers - most are waiting for CARB and to see a demonstration vehicle.
- Met with multiple potential suppliers and firms to qualify contract manufacturing suppliers.

3.7.3 Government Certifications

- Created and submitted the application for CARB certification which is required for heavy vehicles in the USA. This is currently with the applicable government department pending approval.

Anne Devine resigned from her position as CEO of Janus Electric Inc in October 2023. Janus is in the process of appointing a new director. Anne will remain as director until done.

4. Environmental regulation

The Group's operations are not subject to any significant environmental regulations under either Commonwealth or State legislation.

The group monitors compliance with environmental regulations. The Directors are not aware of any significant breaches during the period covered by their report.

5. Principal activities

The principal activities of the group for the year ended 30 June 2023 were:

- Development of the Janus Software platform to support the Janus Ecosystem
- Development of the Janus Conversion Modules that enable the conversion of any Class 8 truck in the world to electric.
- Development of the Janus battery
- Development of the Battery charge and change station.

Since 1 July 2022 all the above items have entered commercial service and are now deemed the minimum viable product to enter the market. As such external customer builds have begun & ongoing.

6. Review of operations and results of those operations

OVERVIEW OF THE GROUP

These financial statements are general purpose financial statements prepared in accordance with Australian Accounting Standards - Simplified Disclosures same as last year.

There was no impact on the amounts recognised, measured, and classified in the statements of financial position, financial performance, and cash flows of the Group as a result of the change in the basis of preparation.

The loss of the Group after income tax is $6,381,660 (2022: loss of $2,058,777). The Directors are satisfied with the performance and operations of the Group during the financial year.

Directors Report

7. Significant changes in the state of affairs

The group went commercial from January 2023. Janus has established a presence in the USA.

8. Dividends

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

9. Events subsequent to reporting date.

On 9 August 2023, 7,826 shares were issued to existing investors at $2.50 per share, raising $19,565.

On October 26, 2023, Janus Electric was granted the Certificate of Grant for a Standard Patent for patent number 2020338479 for our Electric vehicle battery network management system, method and vehicle filed in the US and Australia. This is valid for a period of 20 years.

On November 9th Tony Fay exercised 125,000 options with a strike price of $1.00.

On Nov 9th various option holders exercised 60,000 options with a strike price of $1.50.

At approximately 13:03 on November 28, 2023, battery asset JBSV000005A/5B experienced a sudden failure of Cell 17, Pack Two Module A. This resulted in a fire that destroyed the battery asset and the vehicle, CA811, a converted Kenworth T403.

Janus Ecosystem issued a critical fault, where the BMS and protection system immediately isolated Pack Two in Module A of the Battery. A message on the Janus screen in the cab indicated a battery fault to the Driver. Text messages related to the battery fault were automatically sent to all parties at Janus and Cement Australia. The affected Cell 17 underwent a thermal runaway, starting an internal fire within Battery Module 5A. The ensuing fire spread and ignited the hydraulic oil system. The heat led to the thermal runaway of Module 5B, destroying the battery assets and the T403 Kenworth, for which the battery was currently in service.

Janus Safety Systems functioned as required, so the driver did not incur any injuries. The protection mechanisms allowed sufficient time for the truck to be parked safely and for the driver to exit the vehicle in a calm and safe manner.

The Battery Modules JSBV000005A and JSBV000005B were returned to Janus on December 4, 2023, after being released for transport by WorkSafe, Emergency Services, and Janus Electrics' insurance provider, QBE.

Battery JSBV000005A underwent an external inspection, and a structured dismantling process, under the supervision of an appointed fire investigator by our insurance provider, QBE, began to establish the cause of the fire. Janus Electric is currently waiting for the report outlining the details of the investigation.

From the external inspection, no evidence of physical damage to the battery pack that would indicate the cause of the fire was detected.

Upon further investigation, utilising information from the Ecosystem and inspecting the battery, it was determined that the fire's root cause was a sudden failure of Cell 17, Pack Two Module A.

Further investigation of the Ecosystem data revealed no deviation from the manufacturers' operating specifications (voltage, current, temperature) that would explain the failure, and the BMS and Janus engineering code was working correctly.

Until the third-party investigator verifies the findings, we believe the failure was an isolated incident related to a manufacturing defect in Cell 17.

Insurance claim lodged to QBE. On 8th February 2024, the claim for the battery that was not the cause of the fire has been accepted and refund of $70,000 received in the bank. The claim for the battery that caused the fire is still being reviewed due to the intricacies of the technology.

Directors Report

On 15 December 2023, David Nothdurft resigned from the Board of Janus Electric, Co Founder and CEO Alexander Forsyth was appointed to the Board on the same day.

There were no other matters or circumstances arising after 30 June 2023 that have significantly affected, or may significantly affect the group's operations, the results of those operations, or the group's state of affairs in future financial years.

10. Likely developments

Further information about likely developments in the operations of the Group and the expected results of those operations in future financial years has not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Group.

11. Directors & Secretary

DIRECTORS

On Dec 15, 2023, David Nothdurft resigned from the Board of Janus Electric and Co Founder and CEO Alexander Forsyth was appointed to the Board on the same day.

Name:	Tony Fay
Title:	Non-Executive Chairman
Qualifications:	Bachelor of Ag Science (Melb Uni)
Experience:	Tony has over 35 years in financial markets and is an experienced Executive with a focus on governance and compliance. Tony was chairman on ASX listed group Invest Limited (ASX: RZI)

Name:	David Nothdurft (resigned on 15th December 2023)
Title:	Non-Executive Director
Qualifications:	BBus (USQ), MBA (USQ)
Experience:	David's career spans 40 years of professional transport, logistics and supply chain management experience. He has held senior leadership and management roles in large Australian and international road and rail transport and supply chain solutions businesses including large privately owned businesses, ASX listed and Government owned corporations. During his career David has 20 years' experience in the challenging SME road transport market as an owner, advisor, managing director and shareholder.

Name:	Bevan Dooley
Titles:	Managing Director
Qualifications:	Mechanical Engineer (Honours QUT, QLD 1996)

Directors Report

Experience:	Bevan has over 25 years' engineering experience in systems engineering, mechanical engineering, design of complex integrated systems, chemical process design, gas turbine and combustion systems, fuel processing and cost-effective prototyping. Bevan has held board positions on various entities and taken companies to stock exchange listing.
Name:	Alexander Forsyth (Appointed on 15th December 2023)
Titles:	Chief Executive Officer
Qualifications:	Bachelor of Business/Commerce (QUT QLD 1996)
Experience:	Lex has been entrenched in the ownership and operation of energy supply to large transport and logistic businesses Australia and the United States of America for over 27-years. He understands the fundamental costs of running a transport business and was the key driver behind the electrification business model.

GROUP SECRETARY

Max Crowley - appointed 12 August 2022

Mr Crowley is an experienced corporate lawyer and group secretary specialising in ASX listings, employee equity schemes, capital raising and providing advice on corporate governance and compliance issues. Mr Crowley is Group Secretary to ASX-listed companies 8common Limited and Fertoz Limited. As a member of Automic Group's Group Secretary team, Mr Crowley assists a number of ASX listed, unlisted public and proprietary companies across a range of industries.

12. Meetings of Directors

The number of meetings of the group's Board of Directors ('the Board') held during the period ended 30 June 2023, and the number of meetings attended by each director were:

	Full Board	
	Held	Attended
Tony Fay	4	4
David Nothdurft	4	4
Bevan Dooley	4	4

13. Shares Under Option

Unissued ordinary shares of the group under option at the date of this report are as follows:

Grant Date	Expiry Date	Exercise Price	Number under option
6 October 2020	1 January 2024	$1.00	75,000
6 October 2020	1 March 2024	$1.25	75,000
6 October 2020	30 June 2025	$1.50	75,000
6 October 2020	1 January 2026	$2.00	75,000
9 February 2021	1 January 2024	$1.00	125,000
9 February 2021	1 March 2024	$1.25	125,000
9 February 2021	30 June 2025	$1.50	125,000
9 February 2021	1 January 2026	$2.00	125,000

Directors Report

Grant Date	Expiry Date	Exercise Price	Number under option
23 March 2021	30 June 2024	$1.50	1,152,000
23 March 2021	30 June 2024	$1.50	288,000
			2,240,000

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

14. Shares Issued on the Exercise of Options

There were no ordinary shares of the group issued on the exercise of options during the period ended 30 June 2023.

15. Indemnification and insurance of officers and auditors

Officers

The group has indemnified the directors and executives of the group for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial period, the group paid a premium in respect of a contract to ensure the directors and executives of the group against liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Auditors

The group has not, during or since the end of the financial period, indemnified or agreed to indemnify the auditor of the group or any related entity against a liability incurred by the auditor.

During the financial period, the group has not paid a premium in respect of a contract to insure the auditor of the group or any related entity.

16. Proceedings on behalf of the Group

There are no current proceedings on behalf of the Group.

17. Auditor Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this director’s report.

Grant Thornton Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors

Tony Fay
Non-Executive Chairman
Date: 15/02/2024

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Auditor’s Independence Declaration

To the Directors of Janus Electric Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Janus Electric Limited for the year ended 30 June 2023, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

N P Smietana
Partner – Audit & Assurance

Sydney, 15 February 2024

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2023

	Note	2023 $	2022 $
Revenue	2	859,506	-
Cost of Sales		(726,576)	(87,050)
Gross Loss		**132,930**	**(87,050)**
Administration Expenses		(1,377,530)	(417,702)
Advertising, Marketing and Promotions		(156,855)	(140,581)
Professional Fees		(359,185)	(154,377)
Depreciation and Amortisation		(256,886)	(132,712)
Employee Benefits Expense		(2,781,619)	(612,452)
Share Based Payment Expenses		(30,623)	(143,395)
Interest Expense		(356,537)	(100,966)
Foreign Exchange Losses		(12,444)	(1,248)
Legal fees		(202,553)	(51,474)
Research and Development Expenses		(3,081,377)	(3,224,646)
Repairs and Maintenance		(28,292)	(3,753)
Other Expenses		(6,081)	-
Other Income	3	2,440,117	3,011,579
Loss before income tax expense		**(6,076,935)**	**(2,058,777)**
Income tax expense	20	(304,725)	-
Loss for the year		**(6,381,660)**	**(2,058,777)**
Total Comprehensive Income		**(6,381,660)**	**(2,058,777)**

Consolidated Statement of Financial Position

As at 30 June 2023

	Note	2023 $	2022 $
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	4	621,719	968,550
Trade and Other Receivables	5	3,203,266	3,660,690
Inventories	6	105,205	-
Other Current Assets	7	137,070	34,355
Contract Assets		621,324	-
Total Current Assets		**4,688,584**	**4,663,595**
NON-CURRENT ASSETS			
Property, Plant and Equipment	8	1,111,596	162,279
Right-Of-Use Assets	9	535,601	108,155
Intangibles	10	279,900	45,777
Total Non-Current Assets		**1,927,097**	**316,211**
Total Assets		**6,615,681**	**4,979,806**
LIABILITIES			
CURRENT LIABILITIES			
Trade and Other Payables	11	3,928,066	2,858,498
Financial Liabilities	12	3,887,866	2,163,392
Provisions	13	76,768	24,068
Other Current Liabilities	14	273,994	123,418
Total Current Liabilities		**8,166,694**	**5,169,376**
NON-CURRENT LIABILITIES			
Financial Liabilities	15	495,197	-
Other Liabilities	16	306,655	6,403
Deferred Tax Liability		304,725	-
Total Non-Current Liabilities		**1,106,577**	**6,403**
Total Liabilities		**9,273,271**	**5,175,779**
Net Liabilities		**(2,657,590)**	**(195,973)**
EQUITY			
Share Capital	17	9,980,113	5,933,193
Reserves	17	(2,006,011)	(2,036,634)
Accumulated losses	18	(10,631,692)	(4,250,032)
Other Contributed Equity		-	157,500
Total (Deficiency)		**(2,657,590)**	**(195,973)**

Consolidated Statement of Changes in Equity

As at 30 June 2023

	Share Capital	Reserves	Accumulated Losses	Other Contributed Equity	Total Equity
	$	$	$	$	$
Balance at 1 July 2021	**4,186,192**	**998,431**	**(2,191,255)**	**-**	**2,993,368**
COMPREHENSIVE INCOME					
Loss for the Year	-	-	(2,058,777)	-	(2,058,777)
Total Comprehensive Income	**-**	**-**	**(2,058,777)**	**-**	**(2,058,777)**
Share capital issued	1,747,001	-	-	-	1,747,001
Share based payment expense	-	143,395	-	-	143,395
Transfer to group reorganization reserve	-	(3,178,460)	-	-	(3,178,460)
Shares to be issued	-	-	-	157,500	157,500
Balance at 30 June 2022	**5,933,193**	**(2,036,634)**	**(4,250,032)**	**157,500**	**(195,973)**
COMPREHENSIVE INCOME					
Loss for the Year	-	-	(6,381,660)	-	(6,381,660)
Total Comprehensive Income	**-**	**-**	**(6,381,660)**	**-**	**(6,381,660)**
Share capital issued	4,298,747	-	-	(157,500)	4,141,247
Capital raising costs	(251,827)	-	-	-	(251,827)
Share based payment expense	-	30,623	-	-	30,623
Balance at 30 June 2023	**9,980,113**	**(2,006,011)**	**(10,631,692)**	**-**	**(2,657,590)**

Consolidated Statement of Cash Flows

For the year ended 30 June 2023

	Note	2023 $	2022 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Receipts from Customers		1,609,222	912,399
Cash Receipts from Government and Other Grants		2,970,183	750,257
Cash Paid to Suppliers and Employees		(8,794,323)	(5,769,214)
Interest Paid		(354,859)	(20,657)
Cash used in Operations		**(4,569,777)**	**(4,127,215)**
Net Cash used in Operating Activities		**(4,569,777)**	**(4,127,215)**
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash Acquired in consolidation		-	19,390
Acquisition of Property, Plant and Equipment	8	(1,293,364)	(127,012)
Acquisition of Intangible Assets	10	(420,125)	(46,413)
Acquisition of Investments		-	(200)
Net Cash used in Investing Activities		**(1,713,489)**	**(154,235)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from loans		2,257,884	500,000
Proceeds from Capital Raising		3,889,420	1,904,501
Repayments of Loans and Borrowings from Related Parties		(5,859)	-
Payments of Lease Liabilities		(205,010)	(138,007)
Net Cash from Financing Activities		**5,936,435**	**2,266,494**
Net Decrease in Cash and Cash Equivalents		**(346,831)**	**(2,014,956)**
Cash and Cash Equivalents at the Beginning of the Year		968,550	2,983,506
Cash and Cash Equivalents at the End of the Year		**621,719**	**968,550**

Notes to the Financial Report

Note 1 Accounting Policies

GENERAL INFORMATION AND REPORTING ENTITY

Janus Electric Ltd (the Group) is a public company incorporated in Australia. Janus Electric Ltd owns 100% of Janus Energy Pty Ltd, 100% of Janus Inc. and 90% of World.Net Services Limited. Together on aggregation these entities form ‘The Group’. The address of the Group’s registered office and principal place of business are as follows:

Registered Office

13 Apprentice Drive
Berkeley Vale NSW 2261

Principal Place of Business

13 Apprentice Drive
Berkeley Vale NSW 2261

The Group’s principal activities are - developing and implementing an Electric Drive Train for Class 8 Prime Movers; and - developing an exchangeable battery solution and charge and change station infrastructure to support Electric Class 8 Prime Movers.

This financial report was approved by the board of directors on Thursday 15th February 2024.

FINANCIAL REPORTING FRAMEWORK AND STATEMENT OF COMPLIANCE

The Group does not have 'public accountability' as defined in AASB 1053 Application of Tiers of Australian Accounting Standards and is therefore eligible to apply the 'Tier 2' reporting framework under Australian Accounting Standards. Accordingly, the information in these financial statements has been prepared in accordance with the recognition and measurement requirements in Australian Accounting Standards and the disclosures in AASB 1060 Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities.

For the purposes of preparing the financial statements, the Group is a for-profit entity.

BASIS OF PREPARATION

The financial statements have been prepared based on historical cost, except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services. All amounts are presented in Australian dollars, unless otherwise noted.

FUNCTIONAL & PRESENTATION CURRENCY

These financial statements are presented in Australian dollars, which is the Group's functional currency. The Group is of a kind referred to in *ASIC Corporations (Rounding in Financial/Director's Reports) Instrument 2016/191* and in accordance with that instrument, amounts in the financial statements and Directors Report have been rounded to the nearest dollar.

CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS

The Directors exercise judgment in evaluating estimates incorporated into the financial statements, drawing on historical knowledge and the best available current information. From a judgment standpoint, particular attention is given to the determination of research and development expenditure, specifically identifying the commencement point for capitalization.

Notes to the Financial Report

Additionally, the Directors consider the decision not to commence depreciation in FY23, despite the initiation of revenue, as a crucial judgment, ensuring alignment with the economic reality of the Group's operations.

From an estimate's standpoint, the financial statements encompass considerations related to the estimated future use of batteries. This estimation plays a pivotal role in the development of the amortization schedule and the determination of the present value associated with the financing arrangement secured against these batteries. The estimates are grounded in a thorough analysis of current trends, economic data obtained both externally and within the Group, and a reasonable expectation of future events. The Directors are committed to transparently communicating the underlying assumptions and methodologies used in these estimates to provide stakeholders with insight into the potential variability inherent in such financial assessments.

USE OF JUDGEMENTS AND ESTIMATES

In preparing these financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.
Details of the specific judgement, estimates and assumptions that have the most significant effects on the amounts recognised in the financial statements are summarised in the Notes.

CHANGES IN SIGNIFICANT ACCOUNTING POLICIES

There have not been any changes in accounting policies that would have a significant impact on the financial statements.

BASIS OF CONSOLIDATION

i. Business combinations

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

The Group has an option to apply a 'concentration test' that permits a simplified reassessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred into the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment (see (P) (ii)). Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured, and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Janus Electric acquired 100% of Janus Energy on 13 December 2021. Accordingly, these financial statements are accounted for as a group reorganisation.

The Group adopted an aggregation approach whereby only post 13 December 2021 acquisition profit and loss balances were brought to account. Intergroup transactions and balances post acquisition have been eliminated on aggregation with a reserve created for the opening balance of retained earnings pre acquisition.

ii. Subsidiaries

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

Janus Electric Ltd acquired 100% of Janus Energy Pty Ltd on 13 December 2021. Janus Energy Pty Ltd is the sole active subsidiary of the parent in Australia. WNS limited is also owned 90% by Janus Energy but a dormant company. Janus Electric Ltd also owned 100% of Janus Inc.

iii. Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

iv. Investments in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of associates, until the date on which significant influence ceases.

v. Transactions eliminated on consolidation.

Intra- group balances and transactions, and any unrealised income and expenses arising from intra- group transactions, are eliminated. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

GOING CONCERN

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

Notes to the Financial Report

Material uncertainty – Going Concern

The group has incurred net losses after tax of $6,381,660 and net cash outflows from operations of $4,569,777 for the year ended 30 June 2023. It is also in net liability position of $2,657,590 as at 30 June 2023. These conditions indicate a material uncertainty that may cast a significant doubt about the group's ability to continue as a going concern and, therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of business.

Management's Response:

Despite the challenging financial conditions and the distraction of perpetual equity-raising activities, Management has been successful in advancing the business. The Company has achieved a significant milestone by developing a go-to-market product that has garnered substantial interest. Notably, we have received over 120 firm orders for truck conversions from some of Australia's leading fleets.

The capital raise, initiated in April 2023, is a critical component of our strategy to address the going concern uncertainty. Management is actively engaged in discussions with several potential investors, both domestic and international. We are optimistic that these discussions will lead to successful capital infusion and that the process will be finalized in the near term.

Positive Indicators:

The substantial interest and firm orders received for our product indicate a strong market demand and validate the potential success of our business model. These indicators, coupled with the ongoing investor discussions, and the group's cash-flow forecasts (which include the development activities incurred by Janus Energy Pty Ltd) provide a basis for Management's belief that the going concern basis is appropriate.

Risks and Mitigation:

The Group recognizes the risks associated with ongoing equity-raising activities, and Management is diligently working to mitigate these risks. Contingency plans are in place, including cost-cutting measures and operational efficiencies, to sustain operations in the event that the capital raise is delayed or not fully realized.

Conclusion:

While there is a material uncertainty regarding the Company's ability to continue as a going concern, Management is confident that the successful completion of the capital raise and the positive market response to our product will contribute to the Company's long-term viability. The financial statements have been prepared on a going concern basis, assuming the realization of assets and the settlement of liabilities in the ordinary course of business.

Should the group not be able to continue as a going concern, it may be required to realise its assets and discharge its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. The financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or liabilities that might be necessary should the consolidated entity not continue as a going concern.

Note:

The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Shareholders and other stakeholders are advised to carefully consider this uncertainty when evaluating the financial statements.

Notes to the Financial Report

PROPERTY PLANT & EQUIPMENT

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation, and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant, and equipment.

Any gain or loss from the disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is calculated to write off the cost of items of property, plant, and equipment less their estimated residual values using the straight- line method over their estimated useful lives and is generally recognised in profit or loss. Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Buildings	40	years
Plant and Equipment	5 - 11	years
Fixtures and Fittings	5 - 10	years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

RIGHT OF USE ASSETS

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of-use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

The group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to the Financial Report

FINANCIAL INSTRUMENTS

i. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at amortised cost or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not classified as measured at amortised cost as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets in the “at amortized cost” category particularly include trade accounts receivable (not including factoring), cash and cash equivalents and other receivables.

Cash equivalents are short-term, extremely liquid financial investments that can be converted to cash at any time and that are only subject to insignificant risks of changes in value.

Financial assets - Assessment of whether contractual cash flows are solely payments of principal and interest.

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e. g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable- rate features;
- prepayment and extension features; and

- terms that limit the Group's claim to cash flows from specified assets (e. g. non- recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial liabilities in the category "at amortized cost" are mainly liabilities (borrowings) to banks and trade accounts payables.

iii. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non- cash assets transferred or liabilities assumed) is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

IMPAIRMENT OF ASSETS

i. Financial assets

Financial instruments and contract assets

The Group recognises loss allowances for Expected Credit Losses ("ECLs") on financial assets measured at amortised cost and contract assets.

The Group also recognises loss allowances for ECLs on lease receivables, which are disclosed as part of trade and other receivables.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i. e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables (including lease receivables) and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, which includes forward- looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability- weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i. e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Notes to the Financial Report

ii. Non- financial assets

At each reporting date, the Group reviews the carrying amounts of its non- financial assets (other than inventories, contract assets and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

INTANGIBLES

i. Recognition and measurement

Goodwill	Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.
Research and development	Expenditure on research activities is recognised in profit or loss as incurred. Development expenditure is capitalised only if the expenditure can be measured reliably the product or process is technically and commercially feasible, future economic benefit are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.
Other intangible assets	Other intangible assets, including customer relationships, patents, and trademarks, which are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight- line method over their estimated useful lives and is generally recognised in profit or loss. Goodwill is not amortised.

The estimated useful lives for current and comparative periods are as follows:

patents and trademarks:	10	years
development costs:	2 - 5	years
Software	3 - 5	years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

The vehicle Management Software system was still being developed and enhancements made to it at balance date and therefore management have decided to not begin depreciating it for accounting purposes until fully complete.

EMPLOYEE BENEFITS

i. Short- term employee benefits

Short- term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Share- based payment arrangements.

The Group operates equity-settled share-based remuneration plans for its employees. None of the Group's plans are cash-settled.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example, profitability and sales growth targets and performance conditions).

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to retained earnings. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. Estimates are subsequently revised if there is any indication the number of share options expected to vest differs from previous estimates. Any adjustment to cumulative share-based compensation resulting from a revision is recognised in the current period. The number of vested options ultimately exercised by holders does not impact the expense recorded in any period.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

iii. Defined contribution plans

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

iv. Other long- term employee benefits

The Group's net obligation in respect of long- term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

v. Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

Notes to the Financial Report

PROVISIONS

Provisions are determined by discounting the expected future cash flows at a pre- tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a financial cost.

Warranties	A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities. For 30 June 2023 (Nil) (2021: Nil)
Onerous contracts	A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract (see (P)(ii)). For 30 June 2023 (Nil) (2021: Nil)

SHARE CAPITAL

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with AASB 112.

REVENUE

Revenue is only recognized when the Group has a contract with a customer that is approved in writing and/or acknowledged following customary business practices, such as a signed customer contract and/or the issuance of a purchase order to the Group. These contracts must clearly outline each party's rights, payment terms, possess commercial substance, and it must be probable that consideration will be received by the Group.

The Group ensures clarity regarding performance obligations for Truck Conversions and Charge Station sales. Each contract is carefully assessed at inception to identify individual performance obligations to customers, representing each promise made by the Group. In the case of Truck Conversions and Charge Station sales, performance obligations include not only the sale of goods, but also specific commitments related to acceptance tests and deliveries. Both acceptance tests and deliveries are integral components, with exceptions made only if contractual terms dictate otherwise.

Where applicable, the Group may combine a series of performance obligations that are substantially the same and share a consistent pattern of transfer to the customer. Contract modifications are accounted for as separate contracts when there is a change in the scope of the contract, and the pricing for the scope change is determined based on stand-alone selling prices. If any of these conditions are not met, the Group treats the contract modification as part of the existing contract. In such cases, the effect of the modification on consideration is recognized as an adjustment to revenue on a cumulative catch-up basis.

The Group's contracts with customers encompass a range of arrangements, including straightforward sales of goods and more complex multi-element contracts ('projects'). These projects may involve a combination of services, design, and testing, in addition to the sale of goods and installation. This comprehensive approach ensures that revenue recognition aligns with the distinct nature of each contractual arrangement, promoting transparency and adherence to contractual terms.

Notes to the Financial Report

GRANTS INCOME

Grants related to income are presented as part of profit or loss, either separately or under a general heading "other income" or deducted in reporting the related expense. Grants related to balance sheet items are presented as an offset of the respective assets.

GOODS AND SERVICES TAX (GST)

Revenues, expenses, and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

TRADE AND OTHER PAYABLES

Trade and other payables represent the liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

INVENTORY

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenses directly attributable to the manufacturing process as well as suitable portions of related production overheads, based on normal operating capacity. Costs of ordinarily interchangeable items are assigned using the weighted average cost formula. Net realisable value is the estimated selling price in the ordinary course of business less any directly attributable selling expenses.

ROUNDING

Rounding is performed on all display values to the nearest dollar. Note totals may differ to the items above as totals are rounded independently.

FINANCE INCOME AND FINANCE COSTS

The Group's finance income and finance costs include interest expense on financial loans.

Notes to the Financial Report

Note 2 Revenue

	2023 $	2022 $
DISAGGREGATION OF REVENUE		
Truck Conversion Sales – point in time	433,364	-
Charge Station Sales – point in time	350,000	-
kWh Income – overtime	11,472	-
Subscription Revenue – overtime	20,109	-
Battery Hire Revenue - overtime	44,561	-
Total	**859,506**	**-**

Note 3 Other income

	2023 $	2022 $
OTHER INCOME		
Export Market Development	24,600	-
Other Revenue	143,218	33,272
Rent Reimbursement	-	8,125
Research and Development Tax Incentive Income	2,272,299	2,970,182
Total Other Income	**2,440,117**	**3,011,579**

The research & development (R&D) income above is in relation to the 2022 and 2023 R&D claim made by Janus Energy Pty Ltd. Noting that this FY22 income was received during December 2022 upon Lodgement of the tax return. FY23 income was received during November 2023.

Note 4 Cash and cash equivalents.

RECONCILIATION OF CASH

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the statement of financial position as follows:

Notes to the Financial Report

	2023 $	2022 $
Cash and Bank Balances	621,719	968,550
	621,719	**968,550**

Note 5 Trade and Other Receivables

	2023 $	2022 $
CURRENT		
Accounts Receivable	463,255	549,600
R&D Tax Receivable	2,740,011	2,970,183
GST	-	140,907
Total Current Trade and Other Receivables	**3,203,266**	**3,660,690**

Note 6 Inventories

	$	$
CURRENT		
Inventory	105,205	-
Total Current Inventories	**105,205**	-

Note 7 Other Current Assets

	2023 $	2022 $
Prepayments	108,184	21,155
Security Deposit	28,886	13,200
Total Other Current Assets	**137,070**	**34,355**

Notes to the Financial Report

Note 8 Property, plant, and equipment

	2023	2023
	Plant and Equipment at Cost	**Total**
RECONCILIATION OF CARRYING AMOUNT		
Gross carrying amount	172,607	172,607
Accumulated depreciation and impairment losses	(10,328)	(10,328)
Net carrying amount at 1 July 2022	**162,279**	**162,279**
Additions	1,308,418	1,308,418
Depreciation	(59,094)	(59,094)
Disposal	(15,050)	(15,050)
Research and development Grant offset	(284,957)	(284,857)
Net carrying amount at 30 June 2023	**1,111,596**	**1,111,596**
BALANCE AT 30 JUNE 2023:		
Gross carrying amount	1,465,975	1,465,975
Accumulated depreciation and impairment losses	(69,422)	(69,422)
Research and development Grant offset	(284,957)	(284,857)
Net carrying amount at 30 June 2023	**1,111,596**	**1,111,596**

Note 9 Right of Use Asset (ROUA)

	ROUA	Total
Gross carrying amount	308,157	**308,157**
Accumulated depreciation and impairment losses	(200,002)	**(200,002)**
Net carrying amount at 1 July 2022	108,155	**108,155**
Additions	627,423	**627,423**
Depreciation	(194,542)	**(194,542)**
hDerecognition of lease	(308,157)	**(308,157)**
Derecognition of lease depreciation	302,722	**302,722**
Net carrying amount at 30 June 2023	535,601	**535,601**

Notes to the Financial Report

	ROUA	Total
Gross carrying amount	627,423	**627,423**
Accumulated depreciation and impairment losses	(91,822)	**(91,822)**
Net carrying amount at 30 June 2023	535,601	**535,601**

Note 10 Intangibles Assets and Goodwill

	2023 $	2022 $
INTANGIBLES		
Intangible Assets	46,413	46,413
Less Accumulated Depreciation on Intangible Assets	(3,885)	(636)
Research and development Grant offset	(182,754)	-
Vehicle Management Software	420,126	-
Total Intangibles	**279,900**	**45,777**

Note 11 Trade and Other Payables

	2023 $	2022 $
CURRENT		
Accounts Payable	1,726,779	1,395,372
GST Payable	9,386	-
Other payroll liabilities	351,960	10,318
Accrued Expenses	14,000	-
Accrued Interest Expense	81,985	80,308
Deferred Income	1,743,956	1,372,500
Total Current	**3,928,066**	**2,858,498**

Notes to the Financial Report

Note 12 Current Financial Liabilities	2023 $	2022 $
Loan Rocking Horse	1,799,010	1,130,000
Other financial liabilities	61,323	-
Loan Solid Energy Technologies Pty Ltd	577,633	583,492
Loan Forsyth Investments	449,900	449,900
Loan Bryant and Bryant	1,000,000	-
Total Current Financial Liabilities	**3,887,866**	**2,163,392**

Rocking Horse Capital Group
The loan held with Rocking Horse capital group is an interest-bearing loan charging 15% per annum. The loan supplied operates as an advance on the Research & Development grant applied for by Janus Electric. Thus, upon cash payment of any Research & Development grant the funds will be distributed initially to Rocking Horse Capital Group to reduce the loan balance to nil and distribute any excess to Janus Electric.

Solid Energy Tech Pty Ltd
The loan held by Solid Energy Technologies is a related party loan bearing no interest, the loan statement confirms that repayment will not be requested until Janus Electric is in a financial position to do so.

Forsyth Investments
The loan held by Forsyth Investments is a related party loan bearing no interest, the loan statement confirms that repayment will not be requested until Janus Electric is in a financial position to do so.

Other financial liabilities
Funds received from Australia Venture Investments (AVI) for the construction of 4 batteries with the ultimate ownership not transferring to AVI. Estimations have been made on the expected outflows over the course of the next four years. The estimates are based on expected daily usage. Management will review these annually to ensure such estimates remain accurate and relevant to the valuation of the financial instrument.

Bryant and Bryant
The loan held with Bryant & Bryant is an interest-bearing loan charging 16.5% per annum. The loan is due to be repaid in March 2024.

Notes to the Financial Report

Note 13 Provisions

	2023 $	2022 $
CURRENT		
Provision for Annual Leave	76,768	24,068
Total Current	**76,768**	**24,068**

Note 14 Other Current Liabilities

	2023 $	2022 $
Lease Liability	240,142	123,418
Other Liabilities	33,852	-
Total Other Current Liabilities	**273,994**	**123,418**

Note 15 Financial liabilities

	2023 $	2022 $
Other Financial Liabilities (Refer to Note 12)	495,197	-
Total Financial liabilities	**495,197**	**-**

Note 16 Other Liabilities

	2023 $	2022 $
Lease Liability	306,655	6,403
Total Other Liabilities	**306,655**	**6,403**

Notes to the Financial Report

Note 17 Capital and Reserves

A. SHARE CAPITAL AND RESERVE

	Date	Shares/options	Issue price	$
MOVEMENT IN ORDINARY SHARES				
Balance	1 July 2022	15,299,142		5,933,193
Repriced 19.4.22 offer and share issued to existing shareholders that participated in the initial entitlement offer	18 July 2022	199,657	-	-
Share issue: from BDIC Pty Ltd (a related party to Bevan)	18 July 2022	63,000	$2.50	157,500
Share Issue	18 July 2022	1,149,789	$2.50	2,874,472
Share Issue cost - Bell Potter Securities - Management & Selling Fee -	25 July 2022			(119,015)
Share Issue cost - Karlos Scanlan	5 December 2022			(1,440)
Share Issue cost - Action Advisory	8 February 2023			(125,000)
Share Issue cost - Ansarada	26 February 2022			(6,371)
Share issue	16 June 2023	506,710	$2.50	1,266,774
Balance	30 June 2023	**17,218,298**		**9,980,113**
Movement in options				
Opening balance	1 July 2022	2,240,000		
Closing balance	30 June 2023	2,240,000		

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the group does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Notes to the Financial Report

Capital risk management.

The group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

To maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

B. NATURE AND PURCHASE OF RESERVES

i. Share-based payments reserve.

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services.

ii. Group reorganisation reserve.

On 13 December 2021 Janus Electric Ltd acquired 100% of Janus Energy Pty Ltd in a group reorganisation transaction. Accordingly, this transaction has been treated as an aggregation under the parent, Janus Electric Ltd. The profit and loss balances post acquisition have been aggregated at 30 June 2023 with the pre-acquisition balances forming a group reorganization reserve on aggregation.

Movements in reserves

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

	$	$
Movement in share-based Payments Reserve	**2023**	**2022**
Balance at Beginning of Year (1 July)	1,141,826	998,431
Share Based payments to Directors	30,623	143,395
Balance at End of Year (30 June)	**1,172,449**	1,141,826
Movement in Group Reorganisation reserve		
Balance at Beginning of Year (1 July)	(3,178,460)	-
Transfer to group reorganisation reserve – acquisition of Janus Energy Pty Ltd	-	(3,178,460)
Balance at End of Year (30 June)	**(3,178,460)**	**(3,178,460)**
Total reserves	**(2,006,011)**	**(2,036,634)**

Notes to the Financial Report

Note 18 Accumulated losses	2023 $	2022 $
Opening Balance	(4,250,032)	(2,191,255)
Current Year Earnings	(6,381,660)	(2,058,777)
Total Accumulated losses	**(10,631,692)**	**(4,250,032)**

Note 19 Interests in Subsidiaries

Set out below are the details of the subsidiaries held directly by the group:

Name of the Subsidiary	Proportion of ownership interest held by the group at period-end	
	2023	**2022**
World.Net Services Limited	90%	90%
Janus Energy Pty Ltd	100%	100%
Janus Electric Inc	100%	-

On 13 December 2021 Janus Electric Ltd acquired 100% of Janus Energy Pty Ltd in a group reorganisation transaction.

Note 20 Income Tax

RECONCILIATION OF PRIMA-FACIE INCOME TAX TO TAX EXPENSE

	Note	2023 $	2022 $
Loss before Tax		(6,076,935)	(2,058,777)
Notional tax (benefit) using the Group's Domestic Tax Rate		(1,519,234)	(514,694)
Notional Income Tax Benefit		**(1,519,234)**	**(514,694)**
Unrecognised DTA		**1,823,959**	**514,694**
Actual Income Tax Expense Charged		**304,725**	**-**

A deferred Tax Asset has not been recognized on the carry forward tax losses of the group; each respective company has the following losses to carry forward against income producing years. At 30 June 2023, the Group carries forward losses to be utilized in future years of $2,874,787.

The DTA will only be recognized when it is probable that the respective members can utilize these losses against income producing/taxable years.

Notes to the Financial Report

Note 21 Financial Instruments

ACCOUNTING CLASSIFICATIONS

FINANCIAL RISK MANAGEMENT OBJECTIVES

The group's activities expose it to a variety of financial risks: credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group.

Risk management is carried out by the Board of Directors ('the Board').

Market risk

Price risk

The group is not exposed to any significant price risk.

Credit risk.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity, and a failure to make contractual payments for a period greater than 1 year.

The group currently has limited exposure to credit risk.

Liquidity risk

Vigilant liquidity risk management requires the group to maintain sufficient liquid assets (mainly cash and cash equivalents) and available borrowing facilities to be able to pay debts as and when they become due and payable.

The group manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Remaining contractual maturities

The following tables detail the groups's remaining contractual maturity for its financial instrument liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the financial liabilities are required to be paid. The tables include both interest and principal cash flows disclosed as remaining contractual maturities and therefore these totals may differ from their carrying amount in the statement of financial position.

Notes to the Financial Report

2022	Weighted Average Interest Rate	1 Year or Less	Between 1 & 2 Years	Between 2 & 5 Years	Over 5 Years	Remaining Contractual maturities
	%	$	$	$	$	$
Non-derivatives						
Non-interest bearing						
Trade payables	-	1,395,372				1,395,372
Interest-bearing - variable						
Lease Liability	12.00	129,640	6,500			136,140
Loan - Rocking Horse	15.00	1,210,309				1,210,309
Loan - Solid Energy Tech	-	583,492				583,492
Loan - Forsyth Investments	-	449,900				449,900
Total non-derivatives		3,768,713	6,500	-	-	3,775,213

2023	Weighted Average Interest Rate	1 Year or Less	Between 1 & 2 Years	Between 2 & 5 Years	Over 5 Years	Remaining Contractual maturities
	%	$	$	$	$	$
Non-derivatives						
Non-interest bearing						
Trade payables	-	1,726,779				1,726,779
Interest-bearing (12% - 17%)						
Lease Liability	12.00 – 17.00	240,142	174,345	132,311		546,798
Loan - Rocking Horse	15.00	1,880,995				1,880,995
Loan – Bryant and Bryant	16.50	1,123,750				1,123,750
Loan - Solid Energy Tech	-	577,633				577,633
Loan - Forsyth Investments	-	449,900				449,900
Other Liabilities	16.00	61,323	71,788	423,409		556,520
Total non-derivatives		**6,060,522**	**246,133**	**555,720**	**-**	**6,862,375**

Notes to the Financial Report

Note 22 Auditors' Remuneration	2023 $	2022 $
AUDIT AND REVIEW SERVICES		
	117,577	74,000

Note 23 Capital Commitments

The Group has no material capital commitments. (2022: Nil)

Note 24 Contingencies

CONTINGENT LIABILITIES

As at 30 June 2023 there is no contingent liabilities, (2022: Nil)

CONTINGENT ASSETS

As at 30 June 2023 there is no contingent assets, (2022: Nil)

Note 25 Subsequent Events

On 9 August 2023, 7,826 shares were issued to existing investors at $2.50 per share, raising $19,565.

On October 26, 2023, Janus Electric was granted the Certificate of Grant for a Standard Patent for patent number 2020338479 for our Electric vehicle battery network management system, method and vehicle filed in the US and Australia. This is valid for a period of 20 years.

On 16 November 2023, 125,000 options were exercised at an exercise price of $1.00.

On 29 November 2023, 60,000 options were exercised at an exercise price of $1.50.

On 28 November 2023 battery Asset JBSV000005A/5B experienced a sudden failure of Cell 17, Pack Two Module A. This resulted in a fire that destroyed the battery asset and the vehicle, CA811, a converted Kenworth T403. A full summary of the event is detailed in the directors' report on page 13.

On 15 December 2023, David Nothdurft resigned from the Board of Janus Electric, Co Founder and CEO Alexander Forsyth was appointed to the Board on the same day.

Note 26 Share Based Payments

A share option plan was established by the company and approved by the Board during the 2021 financial year. Throughout the 2023 financial year there were no new options granted over ordinary shares with 2,240,000 outstanding as at 30 June 2023.

Set out below are summaries of options granted under the plan:

Notes to the Financial Report

Number of options	2023	2022
	$	$
Outstanding at the beginning of the financial period	2,240,000	2,240,000
Granted	-	-
Outstanding at the end of the financial period	**2,240,000**	2,240,000

2023

Grant date	Expiry date	Exercise price	Balance at the start of the period	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the period
06/10/2020	01/01/2024	$1.00	75,000	-	-	-	75,000
06/10/2020	01/03/2024	$1.25	75,000	-	-	-	75,000
06/10/2020	30/06/2024	$1.50	75,000	-	-	-	75,000
06/10/2020	01/01/2026	$2.00	75,000	-	-	-	75,000
09/02/2021	01/01/2024	$1.00	125,000	-	-	-	125,000
09/02/2021	01/01/2024	$1.25	125,000	-	-	-	125,000
09/02/2021	30/06/2024	$1.50	125,000	-	-	-	125,000
09/02/2021	01/01/2026	$2.00	125,000	-	-	-	125,000
23/03/2021	31/12/2023	$1.50	1,152,000	-	-	-	1,152,000
23/03/2021	31/12/2023	$1.50	288,000	-	-	-	288,000
			2,240,000	**-**	**-**	**-**	**2,240,000**

No options were granted during the current financial period, options granted during the 2023 financial year had the following grant dates & fair values:

Grant date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk-Free interest rate	Fair value at grant date
06/10/2020	01/01/2024	$1.00	$1.00	95.00%	-	0.1701%	$0.61
06/10/2020	01/03/2024	$1.00	$1.25	95.00%	-	0.1701%	$0.58
06/10/2020	30/06/2024	$1.00	$1.50	95.00%	-	0.3305%	$0.64
06/10/2020	01/01/2026	$1.00	$2.00	95.00%	-	0.3305%	$0.62
09/02/2021	01/01/2024	$1.00	$1.00	95.00%	-	0.1051%	$0.58
09/02/2021	01/01/2024	$1.00	$1.25	95.00%	-	0.1051%	$0.55
09/02/2021	30/06/2024	$1.00	$1.50	95.00%	-	0.4058%	$0.62
09/02/2021	01/01/2026	$1.00	$2.00	95.00%	-	0.4058%	$0.60
23/03/2021	31/12/2023	$1.00	$1.50	95.00%	-	0.1051%	$0.48
23/03/2021	31/12/2023	$1.00	$1.50	95.00%	-	0.1051%	$0.48

Set out below are options held at the end of the financial period.

Notes to the Financial Report

Option	Class	Exercise price	Number under option
Director options	Granted 6 October 2020 Vested 1 January 2021 Expiring 1 January 2024	$1.00	75,000
Director options	Granted 6 October 2020 Vested 1 March 2021 Expiring 1 March 2024	$1.25	75,000
Director options	Granted 6 October 2020 Vesting 30 June 2022 Expiring 30 June 2025	$1.50	75,000
Director options	Granted 6 October 2020 Vesting 1 January 2023 Expiring 1 January 2026	$2.00	75,000
Director options	Granted 9 February 2021 Vested 1 January 2021 Expiring 1 January 2024	$1.00	125,000
Director options	Granted 9 February 2021 Vested 1 March 2021 Expiring 1 March 2024	$1.25	125,000
Director options	Granted 9 February 2021 Vesting 30 June 2022 Expiring 30 June 2025	$1.50	125,000
Director options	Granted 9 February 2021 Vesting 1 January 2023 Expiring 1 January 2026	$2.00	125,000
Broker options to Aitken Murray Capital Partners	Granted 23 March 2021 Vested 23 March 2021 Expiring 31 December 2023	$1.50	1,152,000
Broker options to Aitken Murray Capital Partners	Granted 23 March 2021 Vested 23 June 2021 Expiring 31 December 2023	$1.50	288,000
			2,240,000

Share based payment expense	**2023 $**	**2022 $**
Amortisation of share-based payment options to Directors based on vesting conditions above	30,623	143,395
Share-based payment for Managing Director equity incentive shares issued on incorporation	-	-
Current Year Amount	**30,623**	**143,395**

Notes to the Financial Report

Note 27 Related Parties

KEY MANAGEMENT PERSONNEL

Directors

The following persons were directors of Janus Electric Pty Ltd during the financial year.

Tony Fay	Non-Executive Chairman (appointed 9 February 2021)
David Nothdurft	Non-Executive Director (appointed 6 October 2020)
Bevan Dooley	Managing Director (appointed 7 July 2020)
Alexander Forsyth	Chief Executive Offcer (appointed 15th December 2023)

Remuneration – Key Management Personnel	2023 $	2022 $
Short term benefits	157,590	-
Share based payments	30,623	143,395
Post employment benefits	-	-
Total Remuneration	**188,213**	**143,395**

Bevan Dooley is paid through Solid Energy Technologies Pty Ltd for monthly service. David Nothdurft is paid through Logistic Advisory Pty Ltd for consultancy. Alexander Forsyth has been moved to fortnightly wages since February 2023 hence his remuneration as an employee has been disclosed above. His annual salary is $360,000 plus super. He used to be paid through the trustee for XYZ Holdings for monthly service. Tony Fay has been provided with options. All the fees invoiced by KMPs through their personal companies have been disclosed below.

Note 28 Related Parties

Parent Entity

Janus Electric Pty Ltd is the parent entity.

Key Management personnel

Disclosures relating to key management personnel are set out above and below.

Loans with related parties

The following loan balances are held in relation to related parties.

Notes to the Financial Report

LOANS TO RELATED PARTIES

	2023	2022
	$	$
CURRENT		
Loan Janus Energy	10,018,207	6,212,455
Loan WNS Ltd	52,118	50,618
Loan Janus Electric Inc	210,115	-
Total Current	**10,280,440**	**6,263,073**

LOANS FROM RELATED PARTIES

	2023	2022
	$	$
CURRENT		
Loan - Solid Energy Technologies Pty Ltd	577,633	583,492
Loan - Forsyth Investments	449,900	449,900
Total Current	**1,027,533**	**1,033,392**

Transactions with related parties

The following transactions occurred with related parties.

Notes to the Financial Report

	2023	2022
Logistic Advisory Pty Ltd – a company associated with David Nothdurft	**$**	**$**
Research & Development expenses reimbursed	43,273	23,474
	43,273	**23,474**
Solid Energy Technologies Pty Ltd – a company associated with Bevan Dooley		
Research & Development expenses reimbursed	358,381	182,238
Repairs & Maintenance expenses reimbursed	-	2,171
Employee benefit expenses reimbursed	-	131
Other administrative and corporate costs reimbursed	3,280	790
Other income reimbursed	(2,983)	
	358,678	**185,330**
The trustee of XYZ Holdings (Aust) Discretionary Trust – a trust associated with Lex Forsyth		
Research & Development expenses reimbursed	210,000	180,000
Other income reimbursed	2,776	92
	212,776	**189,092**
Total Related party transactions	**614,727**	**388,896**

Notes to the Financial Report

Trade receivables & Payables

The following Receivables and payables are outstanding with related parties at the end of the financial period.

	2023 $	2022 $
Logistic Advisory Pty Ltd – a company associated with David Nothdurft		
Receivables	-	-
Payables	7,267	3,609
Solid Energy Technologies Pty Ltd – a company associated with Bevan Dooley		
Receivables	-	-
Payables	33,000	-

Note 29 Parent Entity Disclosures

As at, and throughout, the financial year ended 30 June 2023 the parent entity of the Group was Janus Electric Limited.

Financial Position	**2023** **$**	**2022** **$**
ASSETS		
Current Assets	1,425,123	1,486,664
Non-Current Assets	1,272,057	137,356
Total Assets	**2,697,180**	**1,624,020**
LIABILITIES		
Current Liabilities	3,543,221	1,827,137
Non-Current Liabilities	1,799,933	-
Total Liabilities	**5,343,154**	**1,827,137**
Equity		
Share Capital	9,980,113	5,933,193
Reserves	1,172,447	1,141,825
Accumulated Losses	(13,798,534)	(7,435,635)
Other Contributed Equity	-	157,500
Total Equity/(Deficiency)	**(2,645,974)**	**(203,117)**

Notes to the Financial Report

Financial Performance	2023 $	2022 $
Loss for the Year	(6,362,899)	(5,244,380)
Other Comprehensive Income	-	-
Total Comprehensive Income	**(6,362,899)**	**(5,244,380)**

Contingent liabilities or assets

The parent entity does not have any contingent assets or liabilities (refer note 24).

Capital expenditure commitments.

The parent entity has no material capital commitments (refer Note 23).

Directors Declaration

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Australian Accounting Standards – Simplified Disclosures, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2023 and of its performance for the financial period ended on that date; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the directors

Tony Fay	Lex Forsyth	Bevan Dooley
Non-Executive Chairman	Chief Executive Officer	Chief Technology Officer
Date: 15/02/2024	Date: 15/02/2024	Date: 15/02/2024

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Independent Auditor’s Report

To the Members of Janus Electric Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Janus Electric Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2023, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and the Directors’ declaration.

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

a giving a true and fair view of the Group’s financial position as at 30 June 2023 and of its performance for the year ended on that date; and

b complying with Australian Accounting Standards *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* 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 Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

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Material uncertainty related to going concern

We draw attention to Note 1 in the financial statements, which indicates that the Group incurred a net loss of $6,381,660, net cash outflows from operating activities of $4,569,777 during the year ended 30 June 2023, and as of that date, the Group's current liabilities exceeded its current assets by $3,478,110. As stated in Note 1, these events or conditions, along with other matters as set forth in Note 1, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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 2023, 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 the financial report that gives a true and fair view in accordance with Australian Accounting Standard – *AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* and the *Corporations Act 2001*. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

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 that an audit conducted in accordance with the 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.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar3.pdf. This description forms part of our auditor's report.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

N P Smietana
Partner – Audit & Assurance

Sydney, 15 February 2024