Appendix 4E – Preliminary Final Report

(ASX Listing rule 4.3A)

Company Name:	Carly Holdings Limited (the **Company**)
ABN:	60 066 153 982
Reporting Period:	Financial year ended 30 June 2024
Previous Reporting Period:	Financial year ended 30 June 2023

Results for Announcement to the Market

The results of Carly Holdings Limited for the year ended 30 June 2024 are as follows:

Revenue	Up	71%	to	$3,600,138
Loss from continuing operations	Up	33%	to	($4,177,330)
Net loss for the period attributable to members	Up	33%	to	($4,177,330)

Dividends

No dividends have been paid or declared by the Company since the beginning of the current reporting period. No dividends were paid for the previous reporting period.

Net Tangible Assets per Share

	2024	**2023**
Net Tangible Assets per Share (cents)	(1.25)	0.20

Explanation of results

The Group revenue from continuing operations increased by $1,499,707 or 71% to $3,600,138. Gross profit increased by $331,136 or 40%. The Group incurred a loss of $4,177,330 for the year (2023: $3,142,225).

The reduction in the Net Tangible Asset per Share result in 2024 reflects the 2024 capital raise and increase in debt to fund the acquisition of new vehicles.

For further information on the current year results, refer to the Review of Operations contained within this document.

Status of Audit of Accounts

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

The independent audit report contains an emphasis of matter in relation to going concern. The emphasis of matter draws attention to Note 1(b) of the financial report and states that the factors described in that going concern note to the financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

In Note 1(b) of the financial report, the Directors confirm their belief that the factors described in that note to the financial statements demonstrate that the Group will be able to pay its debts as and when they become due and payable and will be able to continue as a going concern.

Carly Holdings Limited

ACN 066 153 982

2024 ANNUAL REPORT

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CORPORATE DIRECTORY

Directors

Mr Adrian Bunter - Non-Executive Chairman
Mr Chris Noone - Chief Executive Officer and Executive Director
Mr Stephen Abolakian - Non-Executive Director
Ms Michelle Vanzella - Non-Executive Director

Company Secretary

Ms Pia Rasal

Registered Office and Principal Place of Business

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189 Kent Street
Sydney NSW 2000
Telephone: +61 2 9000 1215
Email: shareholder@carly.co
Website: https://investors.carly.co/

Share Registry

Automic Registry Services
Level 5, 126 Phillip Street
Sydney NSW 2000
Telephone: 1300 288 664 / +61 2 9698 5414
Email: hello@automic.com.au
Website: www.automic.com.au

Stock Exchange

Carly Holdings Limited is listed
on the Australian Securities Exchange
ASX Codes: CL8, CL8O

Auditor

HLB Mann Judd
Level 4, 130 Stirling Street
Perth WA 6000

Bankers

National Australia Bank
Level 14, 100 St George's Terrace
Perth WA 6000

The Directors present their report together with the financial report of Carly Holdings Limited (the **Company** or **Parent Entity**) and its controlled entities (the **Group**), for the year ended 30 June 2024 and the auditor's report thereon.

DIRECTORS

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

Mr Adrian Bunter

Non-Executive Chairman - appointed 19 February 2014

Adrian has over 27 years' experience in accounting, finance and a broad range of corporate advisory roles ranging from mergers and acquisitions, divestments of businesses, debt/equity raisings and strategy development and execution. Adrian is a partner of one of Australia's leading boutique specialist technology, media and commerce financial advisory firms operating out of Australia and AsiaPac. Adrian is a Chartered Accountant, a Senior Associate of Finsia and has completed a Bachelor of Business and a Graduate Diploma in Applied Finance. Adrian is a member of the Executive Committee of Australia's leading angel investing group, Sydney Angels and an advisor to or non-executive director of several high growth technology businesses.

In the 3 years immediately before the end of the financial year, Adrian also served and continues to serve as a Non-Executive Director of 8common Limited (8CO) since 6 June 2014, and Non-Executive Director of Live Verdure Limited (LV1) since 15 March 2024.

Adrian was appointed Non-Executive Chairman of the Board effective from 29 August 2019.

Mr Chris Noone

Chief Executive Officer and Executive Director - appointed 7 August 2014

Chris has led the development, launch and growth of many innovative companies that have helped define today's digital market in Europe, Asia and Australia including Hasbro Interactive, Vodafone and Ninemsn. Chris has also co-founded a number of start-up businesses that delivered disruptive online products. Since joining in 2014, Chris has leveraged Carly's initial focus and expertise in the sharing economy and evolved it to help the automotive industry connect with consumers who want more flexible access to vehicles. Chris graduated from the University of Technology, Sydney with a Bachelor of Business (Marketing).

Mr Stephen Abolakian

Non-Executive Director - appointed 14 February 2019

Stephen is an accomplished executive with experience across property development, finance, capital raising, operations and human resources. In 2012 Stephen was appointed Managing Director of Hyecorp Property Group, a diversified Australian property group with three key operating divisions – property development, construction and funds management. Hyecorp grew from its initial roots in the automotive repair and accident replacement industry. Hyecorp is associated with the Willoughby Capital Trust, the largest shareholder of Carly Holdings Limited. Stephen graduated from Sydney University with a Bachelor of Economics and holds a Diploma of Financial Markets from FINSIA.

Mr Robert (Robbie) Blau

Non-Executive Director - appointed 10 December 2019 - Resigned 1 November 2023

Robbie has significant experience in the fleet management and leasing industry. He has been CEO of SG Fleet Group since July 2006 and was appointed to the SG Fleet Group Board as an Executive Director in January 2014. Robbie has overall responsibility for the strategic development of SG Fleet Group and manages its relationships with financial services partners. Robbie practiced as a commercial attorney and has held several senior executive roles in South Africa and Australia. Robbie holds a Bachelor of Commerce (Accounting and Law) and a Bachelor of Laws (Cum Laude) from the University of the Witwatersrand, as well as a Higher Diploma in Tax Law from Johannesburg University.

Mr Todd Hunter

Non-Executive Director - appointed 1 October 2019 - Resigned 21 July 2023

Todd is a strong and experienced senior executive, with a background in marketing, sales and accounting in both large global and domestic businesses (Ernst & Young, Microsoft and New Zealand Post). He has been Group CEO of Turners since July 2016. Turners is a New Zealand based integrated automotive financial service group, primarily operating in three key areas of automotive retail, finance and insurance, and debt management systems. Todd joined the listed entity Turners Auctions in 2006 and became CEO of Turners Auctions in 2013. Turners Auctions was taken over in 2014 by listed entity Dorchester Pacific Finance which was then renamed to Turners Automotive Group. Todd was appointed Group CEO for the wider Turners Automotive Group business in 2016. Todd is a Chartered Accountant and holds a Bachelor and Diploma of Commerce from Auckland University.

Ms Michelle Vanzella

Non-Executive Director (Independent) - appointed 1 September 2018

Michelle has an extensive combination of customer, marketing, digital, data and commercial legal skills built up across multiple industries including technology, retail, property and financial services. Michelle practised Corporate & Commercial Law at Allens and has held senior executive positions with iconic Australian brands including Westfield, Suncorp and AAMI. She was previously an independent non-executive director of Canteen Australia. She is currently a non-executive director at Hunter Water and sits on the Investment Committee and Chairs the Sustainability Committee. Michelle has a Bachelor of Law (Hons) & Economics and an MBA from AGSM and is a Graduate of the Australian Institute of Company Directors.

Mr Kevin Wundram

Alternate Director to Mr Blau - appointed 10 December 2019 - Resigned 1 November 2023

Kevin has significant experience in the fleet management and leasing industry. He has been the Chief Financial Officer of SG Fleet Group since July 2006 and was appointed to the Board as an Executive Director in August 2015. Kevin worked in the audit and corporate finance divisions of KPMG South Africa for 6 years and was responsible for special projects at Super Group, including the execution of acquisitions, disposals and due diligence. He was also a member of the management committees of the Automotive Parts, Commercial Vehicle Dealerships and Supply Chain Divisions of that company. Kevin holds a Bachelor of Commerce from the University of the Witwatersrand, an Honours Bachelor of Accounting Science degree from the University of South Africa and is a Chartered Accountant.

COMPANY SECRETARY

Ms Karen Logan

Appointed 27 October 2009 **-** *Resigned 6 October 2023*

Karen is a Chartered Secretary with over 15 years' experience in assisting small to medium capitalised ASX-listed and unlisted companies with compliance, governance, financial reporting, capital raising, merger and acquisition, and IPO matters. She is a Fellow of The Chartered Governance Institute (formerly known as the Institute of Chartered Secretaries and Administrators), a Fellow of the Governance Institute of Australia and a Graduate Member of the Australian Institute of Company Directors. Karen is presently the principal of a consulting firm and secretary of a number of ASX-listed companies, providing corporate and accounting services to those clients.

Mr Max Crowley

Appointed 6 October 2023 - Resigned 25 March 2024

Max is an experienced corporate lawyer and company secretary specialising in ASX listings, employee equity schemes, capital raising and providing advice on corporate governance and compliance issues. Max acts as Company Secretary to a number of ASX listed and unlisted public companies across a range of industries.

Ms Pia Rasal

Appointed 25 March 2024

Priyamvada (Pia) Rasal has over 14 years’ experience in company secretarial consultancies across multiple geographies (Melbourne, Perth, and Mumbai) in governance, corporate secretarial and legal roles. She has managed a portfolio of private companies, public companies, ASX listed entities and non-profit organisations as a Company Secretary. Pia is an Associate Member of the Chartered Governance Institute (UK) and the Governance Institute of Australia. Pia holds a Bachelor’s of Law and Commerce from India.

DIRECTORS’ MEETINGS

The number of Directors’ meetings (including meetings of committees of Directors) and the number of meetings attended by each of the Directors of the Parent Entity during the financial year were:

	Board Meetings		Nomination and Remuneration Committee Meetings		Audit and Risk Committee Meetings	
Director	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
Mr Adrian Bunter	12	12	2	2	3	3
Mr Chris Noone	12	12	N/A	N/A	N/A	N/A
Mr Stephen Abolakian	12	11	2	2	3	3
Mr Robbie Blau[2]	4	3	N/A	N/A	3	1
Mr Todd Hunter[1]	-	-	-	-	N/A	N/A
Ms Michelle Vanzella	12	12	2	2	3	3
Mr Kevin Wundram[3]	4	-	N/A	N/A	N/A	N/A

Note:

1. Mr Hunter resigned on 21 July 2023.
2. Mr Blau resigned on 1 November 2023.
3. Mr Wundram was Alternate Director for Mr Blau.

Committee membership

As at the date of the report, the Parent Entity had a Nomination and Remuneration Committee and an Audit and Risk Committee of the Board of Directors.

Members acting on the Committees of the Board during the financial year were:

Nomination and Remuneration Committee	Audit and Risk Committee
Ms Michelle Vanzella (Chair)	Mr Adrian Bunter (Chair)
Mr Stephen Abolakian	Ms Michelle Vanzella
Mr Adrian Bunter	Mr Stephen Abolakian
Mr Todd Hunter	Mr Robbie Blau

DIRECTORS' INTERESTS

The following relevant interests in the fully paid ordinary shares (**Shares**) and Options of the Parent Entity were held by the Directors as at the date of this report.

Director	Shares	Options[1]		
		Quoted CL8O Options	Unquoted Options	Unquoted Executive Options
Mr Adrian Bunter	1,900,000	475,000	Nil	Nil
Mr Chris Noone[2]	3,503,750	1,116,937	Nil	6,620,000
Mr Stephen Abolakian[3]	53,984,772	11,431,472	Nil	Nil
Mr Robbie Blau[5]	Nil	Nil	Nil	Nil
Mr Todd Hunter[4]	Nil	Nil	Nil	Nil
Mrs Michelle Vanzella	Nil	Nil	Nil	Nil
Mr Kevin Wundram[5]	Nil	Nil	Nil	Nil

Notes**:**

1. Refer to Note 15 for details of grant dates, expiry dates and exercise price of options on issue.
2. 3,503,750 Shares and 1,116,937 Options are held indirectly through Noone Holdings Pty Ltd as trustee for C&K Noone Family Trust.
3. 53,984,772 Shares and 11,431,472 Options are held indirectly through Willoughby Capital Pty Ltd as trustee for Willoughby Capital Trust (**Willoughby Capital**) and Hishenk Pty Ltd. Mr Abolakian is a potential beneficiary of Willoughby Capital and Hishenk Pty Ltd. MNA Family Holdings Pty Ltd as trustee for Hishenk Pty Ltd Superannuation Fund holds 612,500 Shares. Mr Abolakian's parents are directors and shareholders of MNA Family Holdings Pty Ltd and are beneficiaries of the Hishenk Pty Ltd Superannuation Fund.
4. Turners Automotive Group Limited holds 8,582,136 Shares and 1,791,068 Options in Carly Holdings. Mr Hunter is the CEO and a shareholder of Turners.
5. SG Fleet Management Pty Limited, a subsidiary of SG Fleet Group Limited (**SG Fleet**), holds 39,439,375 Shares and 8,230,721 Options in Carly Holdings. Mr Blau is a director, shareholder and Chief Executive Officer of SG Fleet. Mr Wundram, Alternate Director for Mr Blau, is a director, shareholder and Chief Financial Officer of SG Fleet.

PRINCIPAL ACTIVITY

The principal activity of the Parent Entity and Group during the financial year was the provision of car subscription services.

REVIEW OF OPERATIONS

Operating review

Carly continued to deliver strong revenue growth in FY24 supported by a significant increase in fleet size and a balanced move into electric vehicles, supported by the launch of EV Trial. Fleet growth was achieved by additions of asset heavy vehicles supported by access to asset finance facilities and growth in the asset light fleet as automotive manufacturers and dealers seek alternative revenue streams for vehicles as inventory levels increase following easing of the Covid-19 and other supply related issues.

Significant improvements were recorded in revenue metrics in FY24 as compared to FY23:

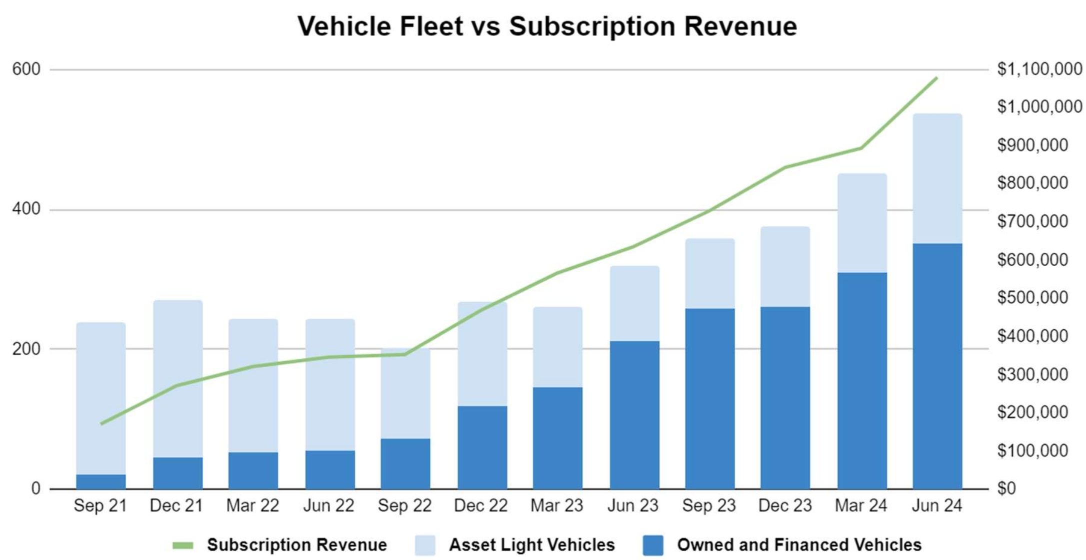
- Subscription Revenue* increased by 75%
- Total Revenue* increased by 71%
- Gross Profit increased by 40%
- Subscription Revenue from owned and financed vehicles reached 80% of Total Subscription Revenue compared to 66% in FY23

- 68% growth in overall fleet size, supported by growth of both the asset heavy and asset light fleets

*Subscription revenue is the income from subscribers, net of external third-party owner fees.
**Revenue includes subscriber revenue, net of external third-party owner fees, plus platform licensing fees.

	FY24	HY1	HY2	HY2 vs HY1
Group Revenue ($)	3,600,138	1,622,627	1,977,511	+22%
Fleet Additions	218	57	161	+182%

Revenue and fleet growth accelerated in HY2, increasing 22% and 182% respectively vs HY1 with fleet additions and new demand channels fuelling the growth.



Active subscriptions continued to increase throughout FY24 and the retention period averaged 5.1 months for the year. As Carly grows, it is delivering material increases in revenue and gross profit through successful implementation of price increases, upselling to higher value subscription plans and retaining an increased share of the subscription transaction value from owned and leased vehicles when compared to 'asset-light' vehicles (i.e. vehicles owned by third parties). Carly's proprietary online customer verification platform, PeerPass, and telematics systems continued to de-risk the operation of the fleet and contributed to the receipt of a rebate for achieving low claims loss ratio targets for the motor fleet insurance policy as well as a reduction in per vehicle insurance premium.

Taking advantage of the high degree of uncertainty and confusion about the transition to electric vehicles, Carly proactively launched EV Trial https://www.carly.co/evtrial and EV Trial for Business https://www.carly.co/evtrialbusiness to provide 'try before you buy' opportunities for individuals and businesses to trial electric vehicles for a month or more to answer the many questions about charging infrastructure, range and charging time. EV Trial provides subscription access to a range of EVs including MG MG4, BYD Seal & Atto 3, Genesis GV 60 and Hyundai Kona, IONIQ 5 and IONIQ 6. An EV Trial also includes a free 200 kWh charge pack for use at over 1,500 chargers on the Chargefox network. Upon completion of a trial, customers will have greater confidence to purchase an electric vehicle from Carly's leasing and automotive dealer partners or continue subscribing.

Carly entered the electric vehicle market in 2020 with EVs provided on an asset light basis via the long-term relationship with Hyundai to service the increasing demand from individual and corporate customers while learning about the nuances of the emerging market. Carly commenced purchasing electric vehicles in December 2023 once retail prices had begun to approach parity with internal combustion engine vehicles and the high depreciation risk had dissipated. This strategy ensured that Carly avoided some of the large EV write downs experienced by competitors. Throughout HY2 Carly continued to add both asset heavy and asset light electric vehicles to the fleet and generate demand through its car subscription product and the targeted EV Trial proposition.

Carly continued to draw down on the $10m asset finance facility announced in March 2023 to support acquisition of vehicles which resulted in the asset heavy fleet size increasing by 66% vs FY23 and the asset light fleet increasing by 72%. Much of this growth occurred in HY2 with overall fleet size increasing by 182% compared to HY1. Asset heavy fleet size increased by 80% and asset light fleet size increased by 914% vs HY1.

Carly is witnessing a softening in the retail new car sales market as post Covid supply delays have largely been resolved and cost of living pressures weaken demand for new vehicle purchases. Both of these impacts are positive for Carly, increasing the potential supply of asset light vehicles as automotive dealers and manufacturers seek alternative revenue streams for excess vehicles and, on the demand side, consumers and businesses delay financing new vehicle purchases and opt for the lower risk and more flexible subscription option.

CarlyNow was deployed in multiple dealerships in the June Quarter. CarlyNow enables automotive dealers to subscribe vehicles to customers who visit their dealership by leveraging Carly's technology and operational expertise. A subscription can be created 'on the fly' by adding subscriber and vehicle details. Carly performs ID verification and affordability checks, processes payments, applies insurance to the vehicle and provides fleet management services. CarlyNow was developed to broaden customer acquisition channels and support growth of the asset light fleet.

Corporate Review

During FY24, Carly undertook two capital raisings.

At the 26 July 2023 Extraordinary General Meeting of Carly Holdings Limited, the Shareholders approved the issuing of 14,000,000 fully paid ordinary shares (Tranche 2) and 32,000,000 new CL8O Options exercisable at $0.06 per option, with an expiry date of 31 October 2024, to raise an additional $0.35 million under the Tranche 2 Placement. 25,000,000 of the new 32,000,000 new CL8O Options were issued on 31 July 2023. The 14,000,000 fully paid ordinary shares (Tranche 2) and 7,000,000 options were issued on 24 August 2023.

On 30 November 2023, Shareholders approved the issuing of 2,850,000 convertible notes at an issue price of $1.00 per note, raising an additional $2,850,000 (Convertible Note) before transaction costs. This provided the funding to deliver substantial growth in fleet size and subscription revenue in H2 FY24.

Financial review

The Group's revenue from continuing operations increased by $1,499,707 or 71% to $3,600,138, reflecting the growing vehicle fleet and expanding subscriber base. Gross profit increased by $331,136 or 40%. The Group incurred a loss of $4,177,330 for the year (2023: $3,142,225).

Revenues are the amounts received or receivable by the Group for services rendered and do not include the amounts paid to third party owners for rental or other services. The total transaction value of services is the sum of amounts received by the owners of assets and the services revenue of the Group.

At 30 June 2024, the Group had net liabilities of $3,333,404 (2023: net assets of $516,719), including cash reserves of $1,312,588 (2023: $1,662,787).

The Board considers it appropriate to prepare this Annual Report on a going concern basis as there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable. Further details are set out in Note 1(b) to the Financial Statements.

SIGNIFICANT CHANGES IN STATE OF AFFAIRS

Significant changes in the state of affairs and net liability position of the Company during the financial year were as follows:

1. At the 26 July 2023 Extraordinary General Meeting of Carly Holdings Limited, the Shareholders approved the issuing of 14,000,000 fully paid ordinary shares (Tranche 2) and 32,000,000 new CL8O Options exercisable at $0.06 per option, with an expiry date of 31 October 2024, to raise an additional $0.35 million under the Tranche 2 Placement. 25,000,000 of the new 32,000,000 new CL8O Options were issued on 31 July 2023. The 14,000,000 fully paid ordinary shares (Tranche 2) and 7,000,000 options were issued on 24 August 2023.

2. On 30 November 2023, Shareholders approved the issuing of 2,850,000 convertible notes at an issue price of $1.00 per note, raising an additional $2,850,000 (Convertible Note) before transaction costs. This provided the funding to deliver substantial growth in fleet size and subscription revenue in H2 FY24.

There were no other significant changes in the state of affairs of the Company during the financial year.

There were a total of 268,370,391 Shares on issue at 30 June 2024.

RESULTS

The Group incurred a loss of $4,177,330 for the year (2023: loss of $3,142,225). The loss increased by 33% for the year.

LIKELY DEVELOPMENTS

The Group, on 14 February 2025 signed a non-binding agreement to merge its Carly car subscription business with Carbar Holdings Pty Ltd **(Carbar)** in a deal that will merge two of Australia's largest and original car subscription platforms. Subject to completion of the merger the combined group, including Carly's operating entities, Carly Car Subscription Pty Ltd, OneX Operations Pty Ltd and ElevenX Operations Pty Ltd, will be owned by Carbar, which will be the head company of the merged group. The merged group will continue with a focus on car subscription opportunities and the expansion of the vehicle fleet. The allocation of resources will continue to be directed to high growth opportunities available to the combined group. Future prospects and business strategies of the operations of the merged group and the expected results of those operations have not been included in this report as the Directors believe, on reasonable grounds, that the inclusion of such information would be likely to result in unreasonable prejudice to the merged group.

MATERIAL BUSINESS RISKS

The proposed future activities of the Group are subject to a number of risks and other factors which may impact its future performance. Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, many of the risks are outside the control of the Directors and management of the Group and cannot be mitigated. An investment in the Group is not risk free and should be considered speculative.

This section provides a non-exhaustive list of the risks faced by the Group or by investors in the Group. The risks should be considered in connection with forward looking statements in this Annual Report. Actual events may be materially different to those described and may therefore affect the Group in a different way.

Investors should be aware that the performance of the Group may be affected by these risk factors and the value of Carly's Shares may rise or fall over any given period. None of the Directors or any person associated with the Group guarantee the Group's performance.

Material business risk	Mitigating actions
Level of demand and supply for assets Group revenues depend upon attracting demand and supply for services. The success of the online services is influenced by the number of new users, the number of subscribers, the number of vehicle assets and other factors that affect the amount of revenues. A decline in supply or demand could lead to a decline in the number of assets and subscribers and volume of subscription transactions which in turn could impact the financial results of the Group.	Management deploys various paid and unpaid strategies to acquire supply and demand, both independently and in conjunction with strategic partners, to increase demand for subscriptions and grow the number of vehicle assets. Management monitors and regularly optimises customer acquisition and conversion activities based on strategic partnership opportunities and anticipated demand and vehicle availability and seasonality.
Innovation risk The Group's ability to retain, increase, and engage its users and address their evolving needs and to increase revenues will depend heavily on management's ability to successfully create, launch and grow demand for new products, both independently and in conjunction with strategic partners. While the Group dedicates significant resources to understanding its vehicle suppliers, subscribers need and upgrading its product offering and platform to remain innovative and in tune with trends, the Group's owners and subscribers may not be satisfied with its offerings or perceive that its offerings do not cater to their needs. Remaining innovative and developing new and unique product offerings require investment and configuration that requires monetary and internal resource investment which may erode the Group's competitive position and adversely affect the growth and profitability of the Group.	The Group fosters a culture that encourages management to develop and launch new and innovative products and introduce improvements to existing products. Management monitors and regularly assesses its products and adjusts resources deployed to and expended upon the various initiatives based on the feedback from its users and strategic partners and the Group's ability to successfully monetise its products offerings.

Material business risk	Mitigating actions
Growth risk The Group's ability to increase revenues will depend heavily on management's ability to successfully retain, increase and engage its users and grow demand for its products both independently and in conjunction with strategic partners. The Group currently prioritises user engagement and strategic partnerships over short-term financial results, and management may make product decisions that may reduce the Group's short-term revenue or profitability if management believes that the decisions are consistent with current priorities of the businesses and benefit vehicle suppliers and subscribers and will thereby improve Group's financial performance over the medium to long term. These decisions may not produce the long-term benefits that management expects, in which case user growth and engagement, relationships with strategic partners and results of operations could be harmed.	Management of growth is critical to the business but places pressure on resourcing, innovation and evolution of the businesses. The Board, together with management, continue to implement initiatives that it believes will deliver value to the Group by meeting customer needs and effectively utilising available financial resources
Insurance risk The Company, where economically feasible, may insure its operations in accordance with industry practice. However, even if insurance is taken out, in certain circumstances, the Company's insurance may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a material adverse effect on the business, financial condition and results of the Company. Insurance of all risks associated with the Company's operations is not always available and where available the costs may be prohibitive.	The Group business has a fleet insurance policy to cover owners and drivers of vehicles used for subscription. The insurance policy requires the Group to cover an initial component of claims, some or all of which may be recovered from the subscriber of the vehicle. The Group's business plan takes into account the payment of the first component of claims and settlement of some other damages claims. The Group has maintained a policy with the same insurer since inception. The claims paid out by the insurer are less than the cumulative premiums paid by the Group. The Group continues to monitor its insurance position with a view to ensuring ongoing insurance coverage and with the experience developed has undertaken discussions with possible alternative insurance providers. The Group does not expect there to be an issue in relation to obtaining insurance, however there can be no guarantee that the current insurer will continue to offer insurance coverage that is commercially acceptable to the Group and no guarantee that alternative insurance can be obtained on terms that may be commercially acceptable to the Group.

Material business risk	Mitigating actions
Regulatory risks The introduction of new policies or legislation or amendments to existing policies or legislation and the failure by governments to act promptly to introduce new or amend existing policies or legislation that governs Group operations or contractual obligations, could impact adversely on the operations and, ultimately, the financial performance of the Group.	In conjunction with its strategic partners, management monitors the policies and regulations that apply to Group operations and regularly engages and consults with government agencies.
Privacy and cyber security risks The Group collects, transmits and stores commercial and financial information. Advances in computer capabilities, increasingly sophisticated tools and methods used by hackers and cyber terrorists, new discoveries in the field of cryptography or other developments may result in the Group's failure or inability to adequately protect its commercially sensitive information or against a disruption to the Group's online marketplaces. The Group relies upon the availability of its online services to provide services to its clients. Hackers could render the online services unavailable through a denial of service or other disruptive attacks. Although the Group has strategies in place to minimise such attacks, these strategies may not be successful. Unavailability of the online services could lead to a loss of revenues whilst the Group is unable to provide its product offerings and services. Further, it could hinder the Group's abilities to retain existing users or attract new users, which would have a material adverse impact on growth of the businesses.	The Group has established measures and systems to minimise the likelihood of security breaches and these systems are regularly monitored for development or improvement. Network security and penetration testing assessments are conducted by third party auditors on Group systems.
Finance risk There is no certainty regarding the ability of the Group to raise sufficient funds to meet its needs into the future. The Group's future capital requirements depend on several factors including its ability to generate sufficient income from its operations and to raise additional funding or refinance the loans which are currently classified as current. The Group will need to raise additional capital from equity or debt sources. There can be no assurance that the Group will be able to raise such capital on favourable terms or at all. If adequate funds are not available on acceptable terms the Group may not be able to develop its business or continue to service and repay the loans which are currently classified as current, to the desired level or at all, and this may have an adverse impact on the Group's operations.	The Board regularly assesses the financial position of the Group and continues to assess all funding alternatives available to ensure that it can continue to make good progress on all strategic growth areas and maintain focus on growing both demand for and supply of assets.

Material business risk	Mitigating actions
Intellectual Property risk The Company has developed online products for its businesses. In particular, the Company has developed a platform to support its product offerings and facilitate transactions between vehicle owners and subscribers. The laws relating to intellectual property assist to protect the Company's proprietary rights in the intellectual property relevant to the Company's businesses. However, trademark registration, although an indicator of valid intellectual property ownership, is not indefeasible as any errors in the registration process can lead to registration being challenged or revoked. Accordingly, the Company cannot be certain that the validity, ownership or authorised use of intellectual property relevant to the Company's businesses will not be successfully challenged by third parties. In addition, there can be no guarantee that unauthorised use or copying of the Company's software, data, specialised technology or algorithms will be prevented.	The Company has sought and received protection of certain intellectual property, namely trademarks in Australia.
Vehicle Acquisition and Resale Risk The Group acquires its own vehicles for the purpose of supplying these vehicles to subscribers. In acquiring these vehicles, the Group is exposed to changing market prices for new vehicles due to market supply and demand. The Group will at times place forward orders for new vehicles and is exposed to potential delays in the delivery of new vehicles. In acquiring new vehicles, the Group will be exposed to changing market conditions for second-hand vehicles. These market changes may have a positive or negative impact on the resale value of the second-hand vehicle. The Group is unable to predict with certainty what the value of the vehicle will be at a future point in time.	The Group acquires a range of make and model of vehicle and engages with a range of partners and motor vehicle dealers to ensure prices for new vehicles are appropriately benchmarked. Where forward orders are placed, the Group looks to establish cancellable contracts in the event the supply of the vehicle is delayed. The Group takes a conservative view on the potential resale value of a vehicle and does not expose itself financially to large, end of term balloon payments where vehicles are financed via third party funders.
Interest Rate Risk The Group has established asset finance facilities and borrowing limits which will enable the Group to finance motor vehicle purchases at the prevailing asset finance market interest rate. The structure of the facilities means that as each vehicle is purchased, it is possible that the interest rate used to finance a vehicle will be different from previous acquisitions.	The Group monitors and reviews every vehicle acquisition quote to ensure that the prevailing asset finance market interest rate is applied at the time vehicles are acquired. The contractual terms are such that the interest rate and monthly payment are fixed for the term of each vehicle loan, and the term will be a maximum of four years from the date of acquisition of the relevant vehicle.

DIVIDENDS

No dividends have been paid or declared since the start of the financial year and the Directors do not recommend the payment of a dividend in respect of the financial year.

ENVIRONMENTAL REGULATION

The Group's operations are not subject to any significant environmental regulations under Commonwealth or State legislation. However, the Directors believe that the Group has adequate systems in place for the management of its requirements under environmental regulations and are not aware of any breach of those regulations as they apply to the Group.

GOVERNANCE

The Board of Directors is responsible for the operational and financial performance of the Company, including its corporate governance. The Company believes that the adoption of good corporate governance adds value for stakeholders and enhances investor confidence.

The Company's corporate governance statement is available on the Company's website, in a section titled 'Corporate Governance': https://investors.carly.co/investor-relations/corporate-governance/.

EVENTS SUBSEQUENT TO REPORTING DATE

The entity requested and was granted a waiver request from its external funder, iPartners on the 16th of July 2024. The waiver request was made as a result of a breach of the entity exceeding its 90% LVR requirement for the facility A and B loan covenants with iPartners. Refer to note 14 for further details.

The entity assessed the raising of additional funding during H1 FY25 to support the existing iPartners loan covenants and ongoing vehicle acquisitions strategy, however suitable funding was not available. On 14 February 2025 the entity signed a non-binding agreement to merge its Carly car subscription business with Carbar Holdings Pty Ltd **(Carbar)** in a deal that will merge two of Australia's largest and original car subscription platforms. The merger will take place via the sale to Carbar of all of the shares in Carly's operating entities, Carly Car Subscription Pty Ltd, OneX Operations Pty Ltd and ElevenX Operations Pty Ltd (**Proposed Transaction**). Following completion of the sale, Carly will hold shares in Carbar which will be the head company of the merged group. The Proposed Transaction is subject to Carly shareholder approval pursuant to ASX Listing Rule 11.2 at a general meeting, a notice of meeting for which will be dispatched shortly. As outlined below, the waiver from iPartners is ongoing so that the Proposed Transaction can be completed.

The Company has also entered into a binding deed of agreement with iPartners Nominees Pty Ltd (Deed) pursuant to which the parties have agreed key objectives around completing the Proposed Transaction, managing the existing operations of Carly and its subsidiaries in a cost-efficient manner so that the Proposed Transaction can be completed; the terms upon which iPartners will provide the relevant consents and waivers to facilitate the Proposed Transaction, and processes that may be followed in the event the Proposed Transaction does not complete. All operational decisions regarding the Company remain the responsibility of the Directors. The Deed will remain in place until the earlier of completion of the Proposed Transaction or the Proposed Transaction failing to complete.

Other than the matters described above, there has not arisen in the interval between the end of the year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

OPTIONS

The number and exercise prices of the options set out below are as at the relevant date of issue, expiry or lapse.

Issue of options
The following options were issued during the financial year:

Class	Expiry Date	Exercise Price	Number of Options
Quoted CL8O Options	31 October 2024	$0.0600	42,000,000
Employee Options	1 September 2026	$0.0238	1,950,586
Employee Options	18 September 2026	$0.0285	200,000
Employee Options	18 September 2026	$0.0380	200,000
Employee Options	27 November 2026	$0.0213	384,767
Employee Options	27 November 2026	$0.0255	300,000
Employee Options	27 November 2026	$0.0340	300,000

Expiry of options

The following options expired during the financial year:

Class	Expiry Date	Exercise Price	Number of Options
Employee Options	1 September 2023	$0.2500	31,610

Lapse of options

The following options lapsed in accordance with the terms of the Company's Incentive Option Plan during the financial year due to the cessation of an employee holding options:

Class	Expiry Date	Exercise Price	Number of Options
Employee Options	1 September 2023	$0.2500	52,137
Employee Options	1 September 2024	$0.0750	227,609
Employee Options	1 September 2025	$0.0437	94,124
Employee Options	18 September 2026	$0.0285	200,000
Employee Options	18 September 2026	$0.0380	200,000

There were no options exercised during the period.

Unissued shares under option

At the date of this report, unissued ordinary shares of the Company under option are as follows:

Class	Expiry Date	Exercise Price	Number of Options
Employee Options	1 September 2024	$0.0750	616,740
Quoted CL8O Options	31 October 2024	$0.0600	87,107,979
Employee Options	30 May 2025	$0.0540	250,000
Employee Options	30 May 2025	$0.0720	250,000
Employee Options	1 September 2025	$0.0437	463,873
Executive Options	19 November 2025	$0.3750	1,620,000
Employee Options	14 February 2026	$0.0213	91,414
Employee Options	1 September 2026	$0.0238	1,950,586
Executive Options	18 November 2026	$0.1000	1,250,000
Executive Options	18 November 2026	$0.1800	1,250,000
Executive Options	18 November 2026	$0.2400	1,250,000
Executive Options	18 November 2026	$0.3000	1,250,000
Employee Options	27 November 2026	$0.0255	300,000
Employee Options	27 November 2026	$0.0340	300,000
Employee Options	27 November 2026	$0.0213	384,767
Total number of options			**98,335,359**

Refer to the Remuneration Report for further details of options outstanding held by Key Management Personnel.

Except for the Quoted CL8O Options, none of these options are quoted.

INDEMNIFICATION AND INSURANCE OF DIRECTORS

Indemnification

The Parent Entity has agreed to indemnify the Directors and Company Secretary of the Group against all liabilities to another person (other than the Parent Entity or any related body corporate) that may arise from their position as Directors and Company Secretary of the Group, except where the liability arises out of conduct involving a lack of good faith.

The Parent Entity has also agreed to cover any liability for costs and expenses incurred in successfully defending civil or criminal proceedings, or in connection with a successful application for relief under the *Corporations Act 2001* (Cth). It also provides indemnity against costs and expenses in connection with an application where a court grants relief to a Director under the *Corporations Act 2001* (Cth).

Insurance premiums

The Company paid a premium, during the year in respect of a director and officer liability insurance policy, insuring the Directors of the Group, the Company Secretary, and executive officers of the Group against a liability incurred as such Director, secretary or executive officer to the extent permitted by the *Corporations Act 2001* (Cth). The Directors have not included details of the nature of the liabilities covered or the amount of the premium paid in respect of the directors' and officers' liability and legal expenses insurance contracts as such disclosure is prohibited under the terms of the contract.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the *Corporations Act 2001* (Cth) for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party for the purposes of taking responsibility on behalf of the Company for all or part of those proceedings.

NON-AUDIT SERVICES

During the financial year, HLB Mann Judd, the Group's auditor, did not perform any non-audit services.

REMUNERATION REPORT

The Remuneration Report is set out on pages 17 to 24 and forms part of the Directors' Report.

AUDITOR'S INDEPENDENCE DECLARATION

Section 307C of the *Corporations Act 2001* (Cth) requires our auditors, HLB Mann Judd, to provide the Directors of the Group with an Independence Declaration in relation to the audit of the Annual Report. The Independence Declaration is set out on page 26 and forms part of this Directors' Report for the year ended 30 June 2024.

AUDITOR

HLB Mann Judd continues in office in accordance with section 327 of the *Corporations Act 2001* (Cth).

This Remuneration Report, which forms part of the Directors' Report, outlines the key management personnel remuneration arrangements of the Parent Entity and the Group in accordance with the requirements of the *Corporations Act 2001* (the **Act**) and its regulations. This information has been audited as required by section 308(3C) of the Act.

For the purposes of this report, key management personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Parent Entity and the Group, directly or indirectly, including any Director (whether Executive or otherwise) of the Company.

KEY MANAGEMENT PERSONNEL

The following were key management personnel of the Group at any time during the financial year and unless otherwise indicated were key management personnel for the entire financial year:

Directors

Name	Position held
Mr Chris Noone	Chief Executive Officer and Executive Director
Mr Stephen Abolakian	Non-Executive Director
Mr Robbie Blau	Non-Executive Director (Resigned 1 November 2023)
Mr Adrian Bunter	Non-Executive Director
Mr Todd Hunter	Non-Executive Director (Resigned 21 July 2023)
Ms Michelle Vanzella	Non-Executive Director
Mr Kevin Wundram	Alternate Director for Mr Blau (Resigned 1 November 2023)

REMUNERATION COMMITTEE

The Nomination and Remuneration Committee of the Board of Directors of the Parent Entity is responsible for determining and reviewing remuneration policies for the Directors and Executives. If necessary, the Nomination and Remuneration Committee obtains independent advice on the appropriateness of remuneration packages given trends in comparable companies and in accordance with the objectives of the Group.

Further information on the Nomination and Remuneration Committee’s role, responsibilities and membership are set out in the Corporate Governance Statement.

PRINCIPLES OF REMUNERATION

The remuneration structures explained below are competitively set to attract and retain suitably qualified and experienced candidates, reward the achievement of strategic objectives and achieve the broader outcome of creation of value for shareholders. The remuneration structures take into account:

- the capability and experience of the key management personnel;
- the key management personnel’s ability to control the relevant segment’s performance;
- the Group’s performance including:
  - the Group’s earnings and financial position; and
  - the growth in share price and delivering constant returns on shareholder wealth.

REMUNERATION STRUCTURE

In accordance with best practice corporate governance, the structure of Non-Executive Directors’ remuneration is clearly distinguished from that of Executives.

Non-Executive Director remuneration

The Constitution and the ASX Listing Rules specify that the aggregate remuneration of Non-Executive Directors shall be determined from time to time by a general meeting. Total remuneration for all Non-Executive Directors, last voted upon by shareholders at the 2019 Annual General Meeting, is not to exceed $250,000 per annum. Directors’ fees cover all main board activities and membership of committees.

Non-Executive Directors do not receive any retirement benefits, nor do they receive any performance related compensation.

The level of Non-Executive Directors' fees as at the reporting date were as follows:

Name	Non-Executive Directors' fees
Mr Stephen Abolakian	$30,000 per annum
Mr Adrian Bunter	$45,000 per annum
Ms Michelle Vanzella	$30,000 per annum

Executive remuneration

Remuneration for Executives is set out in employment agreements.

Executives may receive performance related compensation but do not receive any retirement benefits, other than statutory superannuation.

Fixed remuneration

Fixed remuneration consists of base compensation as well as employer contributions to superannuation funds.

Fixed remuneration is reviewed annually by the Nomination and Remuneration Committee through a process that considers individual and overall performance of the Group. As noted above, the Nomination and Remuneration Committee has access to external advice independent of management.

Other benefits

Key management personnel may receive benefits such as car allowances, and the Group pays fringe benefits tax on these benefits, where applicable.

Performance linked compensation

Performance linked compensation includes both short-term and long-term incentives and is designed to reward Executives for meeting or exceeding their financial and personal objectives. The short-term incentive (**STI**) is an 'at risk' bonus provided in the form of cash, while the long-term incentive (**LTI**) may be provided as in the form of options over ordinary shares or as an 'at risk' bonus provided in the form of fully paid ordinary shares of the Parent Entity.

Short-term incentives

The Nomination and Remuneration Committee together with the Board have determined the key performance indicators (**KPIs**) for the key management personnel. The KPIs generally include measures relating to the Group, the relevant segment, and the individual, and may include financial, non-financial, corporate and individual measures. The measures are chosen as they directly align the individual's reward to the KPIs of the Group and to its strategy and performance.

At the end of the financial year and subsequent to the completion of the year-end audit, the Nomination and Remuneration Committee and Board of Directors assess the performance of the Group, the relevant segment and individual against the KPIs set. No bonus is awarded where performance falls below the minimum. If it is determined that the KPIs have been reached, the Nomination and Remuneration Committee recommends the STI to be paid to the individuals for approval by the Board.

During the 2023 financial year, Mr Noone received an STI payment of $80,000 for the 2023 financial year (2023: $35,000 for FY22) which represented 36% of the maximum amount payable (2023: 16% for FY22). As the STI for the 2024 financial year is dependent upon KPIs linked to annual audited results for the Group, Mr Noone will not be assessed for any bonus until after release of the 2024 Annual Report, once the audit has been completed and the Board is able to determine whether a bonus will be paid.

Long-term incentives

LTI may be provided to key management personnel in the form of options over ordinary shares or as an 'at risk' bonus provided in the form of fully paid ordinary shares of the Parent Entity. LTI are considered to promote continuity of employment and provide additional incentive to recipients to increase shareholder wealth.

For the purposes of the 'at risk' bonus, the Nomination and Remuneration Committee together with the Board have determined the KPIs for the key management personnel. At the end of the financial year and subsequent to the completion of the year-end audit, the Nomination and Remuneration Committee and Board of Directors assess the performance of the Group, the relevant segment and individual against the KPIs set. No bonus is awarded where performance falls below the minimum. Only one bonus may be claimed by a key management person in a financial year.

If it is determined a KPI has been reached, the Nomination and Remuneration Committee recommends the shares be issued to the individuals for approval by the Board. Options and shares may only be issued to Directors subject to approval by shareholders in a general meeting.

The tables in the Share-Based Compensation section of this Remuneration Report provide details of options as LTI granted, vested and lapsed during the year. Also refer to Note 18 for further details of the share-based payments.

The Parent Entity has a policy that prohibits employees and Directors of the Parent Entity from entering into transactions that operate or are intended to operate to limit the economic risk or are designed or intended to hedge exposure to unvested Parent Entity securities. This includes entering into arrangements to hedge their exposure to LTI granted as part of their remuneration package. This policy may be enforced by requesting employees and Directors to confirm compliance.

Use of remuneration consultants

The Board did not engage the services of a remuneration consultant during the year.

Voting and comments made at the Company's 2023 Annual General Meeting

At the 2023 Annual General Meeting, more than 75% of votes cast were in favour of the adoption of the Company's remuneration report for the 2023 financial year (2022: more than 75%). The Company did not receive any comments at the Annual General Meeting on the remuneration report (2022: nil).

Consequences of performance on shareholder wealth

In considering the Group's performance and benefits for shareholder wealth, the Directors have regard to the following indices in respect of the current financial year and the previous four financial years:

	2024	**2023**	**2022**	**2021**	**2020**
Net profit/(loss) for the year	($4,177,330)	($3,142,225)	($3,007,506)	($3,356,580)	($5,370,285)
Dividends paid	Nil	Nil	Nil	Nil	Nil
Change in share price	(0.9 cents)	(1.2 cents)	(3.1 cents)	(13.6 cents)[1]	(0.2 cents)
Share price at beginning of the period	2.1 cents	3.3 cents	6.4 cents	20.0 cents[1]	1.0 cents
Share price at end of the period	1.2 cents	2.1 cents	3.3 cents	6.4 cents	0.8 cents
Loss per share for loss from continuing operations					
Basic loss per share[1]	(1.57 cents)	(1.78 cents)	(2.66 cents)	(5.69 cents)	(0.51 cents)
Diluted loss per share[1]	(1.57 cents)	(1.78 cents)	(2.66 cents)	(5.69 cents)	(0.51 cents)

Note 1: On 2 December 2020, the Company completed a 25 to 1 consolidation of capital. The change in share price is based on the adjusted share price at the beginning of the period compared to the share price at the end of the period. The share price and loss per share have not been restated for prior year periods.

In assessing the above indices, the Directors note that the Group has yet to record a sustainable net profit or pay a dividend. Consequently, as the overall level of key management personnel's compensation takes into account the performance of the Group, that overall level has remained relatively unchanged, other than the increase or decrease in compensation levels due to the appointment or resignation of key management personnel.

Mr Noone was awarded a $80,000 performance related payment in respect of the 2023 financial year in accordance with the terms of his employment agreement. As noted above, Mr Noone will not be awarded any performance related payment until after release of the 2024 Annual Report and once the audit has been completed as the award for the 2024 financial year is dependent upon key performance indicators linked to annual results for the Group.

EXECUTIVE EMPLOYMENT AGREEMENTS

Remuneration and other terms of employment for key management personnel are formalised in employment agreements.

Details of the agreement in place with the Chief Executive Officer/ Executive Director during the 2024 financial year were as follows:

Name:	Mr Chris Noone
Title:	Chief Executive Officer/ Executive Director
Agreement commenced:	7 August 2014
Term of agreement:	To continue indefinitely until terminated in accordance with the Agreement.
Probationary period:	Three months
Base salary:	$260,000 per annum, plus statutory superannuation effective from 1 October 2023
Short term incentive:	Up to $225,000 per annum effective from 1 July 2020 (Previous STI: $80,000)
Long term incentive:	Subject to any relevant performance or other conditions, restrictions or requirements of the Board, the Corporations Act 2001 or the ASX Listing Rules, the Company may grant shares or options for the benefit of the executive as a long-term incentive.
Termination:	Three months by either party.

The Agreement otherwise contains provisions standard for an agreement of employment including in relation to annual, long service and personal leave, confidentiality and other general provisions.

NON-EXECUTIVE DIRECTOR APPOINTMENT LETTERS

The Company has entered into letters of appointment with each of the Non-Executive Directors. Ongoing appointment as a non-executive director is subject to the provisions of the Constitution of the Company relating to retirement by rotation and re-election of directors and the Corporations Act. The letter summarises the Board policies and terms, including remuneration, relevant to the office of director.

REMUNERATION OF KEY MANAGEMENT PERSONNEL

Remuneration for the year ended 30 June 2024

2024	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		
	Cash salary and fees $	Bonus $	Other benefits $	Superannuation $	Long service leave $	Options[4] $	Total $	Performance related %
Non-Executive Directors								
Mr S Abolakian	30,000	-	-	-	-	-	30,000	N/A
Mr R Blau [1]	10,000	-	-	-	-	-	10,000	N/A
Mr A Bunter	42,500	-	-	-	-	-	42,500	N/A
Mr T Hunter [2]	2,500	-	-	-	-	-	2,500	N/A
Ms M Vanzella	30,000	-	-	-	-	-	30,000	N/A
Mr K Wundram [3]	-	-	-	-	-	-	-	N/A
Total Non-Executive Directors	**115,000**	-	-	-	-	-	**115,000**	
Executive Director								
Mr C Noone	259,167	80,000	-	37,308	-	25,116	401,591	26.2%
Total Directors	**374,167**	**80,000**	-	**37,308**	-	**25,116**	**516,591**	

Remuneration for the year ended 30 June 2023

2023	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments		
	Cash salary and fees $	Bonus $	Other benefits $	Superannuation $	Long service leave $	Options[4] $	Total $	Performance related %
Non-Executive Directors								
Mr S Abolakian	30,000	-	-	-	-	-	30,000	N/A
Mr R Blau [1]	30,000	-	-	-	-	-	30,000	N/A
Mr A Bunter	30,000	-	-	-	-	-	30,000	N/A
Mr T Hunter [2]	30,000	-	-	-	-	-	30,000	N/A
Ms M Vanzella	30,000	-	-	-	-	-	30,000	N/A
Mr K Wundram [3]	-	-	-	-	-	-	-	N/A
Total Non-Executive Directors	**150,000**	-	-	-	-	-	**150,000**	
Executive Director								
Mr C Noone	251,250	35,000	-	25,640	-	51,961	363,851	23.9%
Total Directors	**401,250**	**35,000**	-	**25,640**	-	**51,961**	**513,851**	

Notes to the tables of remuneration of key management personnel:

1. Mr Blau does not receive a fee for his appointment as a director of Carly Holdings as that appointment is in the context of his employment by SG Fleet. SG Fleet receives these fees as remuneration for Mr Blau's services.
2. Mr Hunter does not receive a fee for his appointment as a director of Carly Holdings as that appointment is in the context of his employment by Turners Automotive Group. Turners Automotive Group receives these fees as remuneration for Mr Hunter's services.
3. Mr Wundram is an Alternate Director to Mr Blau.
4. Options are expensed over the vesting period from the date of grant.

KEY MANAGEMENT PERSONNEL EQUITY HOLDINGS

(i) Fully paid ordinary shares

Director	Held at 1 July 2023	Held at date of appointment	Purchases / (Sales)	Granted as remuneration	Other changes	Held at date of resignation	Held at 30 June 2024
Mr Noone	2,228,750	N/A	1,275,000	-	-	N/A	3,503,750
Mr Abolakian[1]	49,984,772	N/A	4,000,000	-	-	N/A	53,984,772
Mr Blau[2]	-	N/A	-	-	-	N/A	-
Mr Bunter	1,900,000	N/A	-	-	-	N/A	1,900,000
Mr Hunter[3]	-	N/A	-	-	-	N/A	-
Ms Vanzella	-	N/A	-	-	-	N/A	-
Mr Wundram[2]	-	N/A	-	-	-	N/A	-

Director	Held at 1 July 2022	Held at date of appointment	Purchases/ (Sales)	Granted as remuneration	Other changes / Options conversions	Held at date of resignation	Held at 30 June 2023
Mr Noone	961,875	N/A	1,266,875	-	-	N/A	2,228,750
Mr Abolakian[1]	29,121,828	N/A	20,862,944	-	-	N/A	49,984,772
Mr Blau[2]	-	N/A	-	-	-	N/A	-
Mr Bunter	950,000	N/A	950,000	-	-	N/A	1,900,000
Mr Hunter[3]	-	N/A	-	-	-	N/A	-
Ms Vanzella	-	N/A	-	-	-	N/A	-
Mr Wundram[2]	-	N/A	-	-	-	N/A	-

(ii) Share options

Director	Held at 1 July 2023	Held at date of appointment	Purchases / (Sales)	Granted as remuneration	Exercised / Lapsed	Held at date of resignation	Held at 30 June 2024
Mr Noone	7,136,937	N/A	600,000	-	-	N/A	7,736,937
Mr Abolakian[1]	10,431,472	N/A	1,000,000	-	-	N/A	11,431,472
Mr Blau[2]	-	N/A	-	-	-	N/A	-
Mr Bunter	475,000	N/A	-	-	-	N/A	475,000
Mr Hunter[3]	-	N/A	-	-	-	N/A	-
Ms Vanzella	-	N/A	-	-	-	N/A	-
Mr Wundram[2]	-	N/A	-	-	-	N/A	-

Director	Held at 1 July 2022	Held at date of appointment	Purchases / (Sales)	Granted as remuneration	Exercised / Lapsed	Held at date of resignation	Held at 30 June 2023
Mr Noone	6,775,791	N/A	516,937	-	(155,791)	N/A	7,136,937
Mr Abolakian[1]	5,911,115	N/A	10,431,472	-	(5,911,115)	N/A	10,431,472
Mr Blau[2]	-	N/A	-	-	-	N/A	-
Mr Bunter	78,749	N/A	475,000	-	(78,749)	N/A	475,000
Mr Hunter[3]	-	N/A	-	-	-	N/A	-
Ms Vanzella	-	N/A	-	-	-	N/A	-
Mr Wundram[2]	-	N/A	-	-	-	N/A	-

Notes in relation to the tables of key management personnel equity holdings:

1. As at balance date, MNA Family Holdings Pty Ltd as the trustee for Hishenk Pty Ltd Superannuation Fund held 612,500 Shares. Mr Abolakian's parents are directors and shareholders of the trustee and are beneficiaries of the superannuation fund.
2. As at balance date, SG Fleet Management Pty Limited, a subsidiary of SG Fleet Group Limited, held 39,439,375 Shares and 8,230,721 Quoted CL8O Options in Carly Holdings. Mr Blau is a director, shareholder and Chief Executive Officer of SG Fleet. Mr Wundram, Alternate Director for Mr Blau, is a director, shareholder and Chief Financial Officer of SG Fleet.
3. As at balance date, Turners Automotive Group Limited held 8,582,136 Shares and 1,791,068 Quoted CL8O Options in Carly Holdings. Mr Hunter is the CEO and a shareholder of Turners.

For Directors' interests in shares and options, as at date of this report, refer to page 5 of this Annual Report.

OTHER KEY MANAGEMENT PERSONNEL TRANSACTIONS

Related party transactions

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

The following entities transacted with the Company during the year. The terms and conditions of those transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to unrelated entities on an arm's length basis.

The aggregate amounts recognised during the year relating to key management personnel and their related parties were as follows:

		Transactions value for the year		Balance outstanding at 30 June	
		2024	2023	2024	2023
Director	Transaction	$	$	$	$
Mr R Blau	Fleet vehicle hire fees[1]	243,756	239,305	44,276	14,778
Mr T Hunter	Platform services[2]	91,665	89,739	12,721	6,975

Notes in relation to the table of other key management personnel transactions:

1. An entity associated with Mr Blau and Mr Wundram supplies and leases vehicles to the Group's fleet. The Group acts as agent to refer and administer subscription of cars and enforces contracts for the mutual benefit of owners and subscribers. The terms for such services were based on market rates and terms and conditions similar to all fleet supply agreements, and amounts were payable by the subscribers for use of the vehicles.
2. A company associated with Mr Hunter is provided platform development and platform licensing services by the Group. The Group provides services relating to the development and set up of a platform to offer car subscription services in New Zealand and subsequently platform licensing and customer service assistance. The terms of such services are based on market rates, and amounts are payable on normal commercial terms.

There were no other key management personnel transactions during the 2024 or 2023 financial years.

SHARE-BASED COMPENSATION

The table below discloses the number of options issued to Chris Noone, CEO and Executive Director as LTI-based remuneration. During the 2024 financial year nil options were issued (2023: Nil). The 2022 options were granted following shareholder approval at the Company's 2021 Annual General Meeting.

Grant year	2021 Executive Options Tranche	Granted Number	Exercised/ Lapsed/ Consolidation	Number Vested	Vested %	Number yet to vest	Year in which expire	Lapsed Number	Lapsed %
FY22	Tranche A	1,250,000	-	250,000	20%	1,000,000	FY27	-	-
FY22	Tranche B	1,250,000	-	250,000	20%	1,000,000	FY27	-	-
FY22	Tranche C	1,250,000	-	250,000	20%	1,000,000	FY27	-	-
FY22	Tranche D	1,250,000	-	250,000	20%	1,000,000	FY27	-	-

Grant year	2020 Executive Options Tranche	Granted Number	Exercised/ Lapsed/ Consolidation	Number Vested	Vested %	Number yet to vest	Year in which expire	Lapsed Number	Lapsed %
FY21	Tranche 1	540,000	-	405,000	75%	135,000	FY26	-	-
FY21	Tranche 2	540,000	-	405,000	75%	135,000	FY26	-	-
FY21	Tranche 3	540,000	-	405,000	75%	135,000	FY26	-	-

Each 2021 Executive Option entitles the holder to subscribe for one share as follows:

Executive Options Tranche	Exercise Price	Vesting Date	Expiry Date	Number of Executive Options
Tranche A	$0.1000	18 November 2022	18 November 2026	250,000
Tranche A	$0.1000	18 November 2023	18 November 2026	250,000
Tranche A	$0.1000	18 November 2024	18 November 2026	375,000
Tranche A	$0.1000	18 November 2025	18 November 2026	375,000
Tranche B	$0.1800	18 November 2022	18 November 2026	250,000
Tranche B	$0.1800	18 November 2023	18 November 2026	250,000
Tranche B	$0.1800	18 November 2024	18 November 2026	375,000
Tranche B	$0.1800	18 November 2025	18 November 2026	375,000
Tranche C	$0.2400	18 November 2022	18 November 2026	250,000
Tranche C	$0.2400	18 November 2023	18 November 2026	250,000
Tranche C	$0.2400	18 November 2024	18 November 2026	375,000
Tranche C	$0.2400	18 November 2025	18 November 2026	375,000
Tranche D	$0.3000	18 November 2022	18 November 2026	250,000
Tranche D	$0.3000	18 November 2023	18 November 2026	250,000
Tranche D	$0.3000	18 November 2024	18 November 2026	375,000
Tranche D	$0.3000	18 November 2025	18 November 2026	375,000

The 2021 Executive Options have a cashless exercise mechanism and will be able to be converted into Shares in lieu of paying the aggregate Exercise Price. The Option holder may elect to receive, without payment of cash or other consideration, upon surrender of the applicable portion of exercisable Options to the Company, a number of Shares determined in accordance with the following formula:

Cashless Exercise

$A = [B \times (C-D)] / C$

Where:

A = the number of Shares (rounded down to the nearest whole number) to be issued to the Option holder;

B = the number of Shares otherwise issuable upon the exercise of the Option or portion of the Options being exercised;

C = the Market Value (where the Market Value means at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date) of one Share determined as of the date of delivery to the Company Secretary of the Notice of Exercise; and

D = the Exercise Price.

The fair value of options awarded to key management personnel in the 2024 financial year was nil (2023: nil). The options are expensed over the vesting period from the date of grant.

Notes to the share-based compensation tables:

Modification of equity-settled share-based payment transactions

No terms of equity-settled share-based payment transactions (including options and rights granted as compensation to a key management person) have been altered or modified by the Company during the financial year or the prior financial year.

This concludes the Remuneration Report, which has been audited.

Signed in accordance with a resolution of the Directors:

Chris Noone
Chief Executive Officer/ Executive Director

Dated at Sydney, New South Wales this 28th day of February 2025

HLB MANN JUDD
ADVISORY AND ACCOUNTING

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Carly Holdings Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

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

Perth, Western Australia
28 February 2025

M R Ohm
Partner

hlb.com.au

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STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
for the year ended 30 June 2024

		Consolidated Group	
	Notes	2024 $	2023 $
Revenue from continuing operations	2	3,600,138	2,100,431
Cost of sales		(2,449,083)	(1,280,512)
Gross profit		1,151,055	819,919
Other income	3	37,400	26,400
Corporate and administrative expenses	3	(3,851,686)	(2,965,400)
Research and development expenses		(1,044,156)	(1,050,587)
Gain on fair value of derivatives	3	90,028	-
Results from continuing activities		(4,768,414)	(3,989,587)
Finance income		47,610	10,787
Finance costs		(722,441)	(110,834)
Net financing costs		(674,831)	(100,047)
Loss before income tax		(4,292,190)	(3,269,715)
Income tax benefit	4	114,860	127,490
Loss from continuing operations		**(4,177,330)**	**(3,142,225)**
Total comprehensive loss for the period		**(4,177,330)**	**(3,142,225)**
Basic and diluted loss per share (cents)	5	(1.57)	(1.78)

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

STATEMENT OF FINANCIAL POSITION
as at 30 June 2024

	Notes	Consolidated Group 2024 $	2023 $
CURRENT ASSETS			
Cash and cash equivalents	6	1,312,588	1,662,787
Trade and other receivables	7	38,135	157,267
Other current assets	8	326,433	261,959
Total Current Assets		1,677,156	2,082,013
NON-CURRENT ASSETS			
Property, plant & equipment	9	6,713,894	2,965,683
Right of use asset	10(a)	877,993	917,804
Intangible assets	11	7,967	7,967
Other non-current assets	8	205,195	201,819
Total Non-Current Assets		7,805,049	4,093,273
TOTAL ASSETS		**9,482,205**	**6,175,286**
CURRENT LIABILITIES			
Trade and other payables	12	1,005,303	1,037,882
Loans payable	14	9,906,016	373,098
Lease liability	10(b)	430,174	346,770
Derivative liability	14	30,452	-
Other liabilities	13	187,695	146,249
Total Current Liabilities		11,559,640	1,903,999
NON-CURRENT LIABILITIES			
Loans payable	14	722,755	3,104,841
Lease liability	10(b)	515,466	640,557
Other non-current liabilities	13	17,748	9,170
Total Non-Current Liabilities		1,255,969	3,754,568
TOTAL LIABILITIES		**12,815,609**	**5,658,567**
NET ASSETS/(LIABILITIES)		**(3,333,404)**	**516,719**
EQUITY			
Issued capital	15	26,849,904	26,570,302
Reserves	16	973,243	946,141
Accumulated losses	17	(31,156,551)	(26,999,724)
TOTAL EQUITY		**(3,333,404)**	**516,719**

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

STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2024

Consolidated Group	Notes	Issued Capital $	Reserves $	Accumulated Losses $	Total $
Balance as at 1 July 2022		23,534,881	905,610	(23,915,279)	525,212
Loss for the period		-	-	(3,142,225)	(3,142,225)
Total comprehensive loss for the year		-	-	(3,142,225)	(3,142,225)
Issue of share capital	15	3,363,162	-	-	3,363,162
Share issue costs	15	(327,741)	-	-	(327,741)
Share-based payments	16	-	102,787	-	102,787
Transfer from reserves on conversion/lapse	15, 16, 17	-	(62,256)	57,780	(4,476)
Balance as at 30 June 2023		**26,570,302**	**946,141**	**(26,999,724)**	**516,719**
Balance as at 1 July 2023		26,570,302	946,141	(26,999,724)	516,719
Loss for the period		-	-	(4,177,330)	(4,177,330)
Total comprehensive loss for the year		-	-	(4,177,330)	(4,177,330)
Issue of share capital	15	350,000	-	-	350,000
Share issue costs	15	(70,398)	-	-	(70,398)
Share-based payments	16	-	50,437	-	50,437
Transfer from reserves on lapse of options	15, 16, 17	-	(23,335)	20,503	(2,832)
Balance as at 30 June 2024		**26,849,904**	**973,243**	**(31,156,551)**	**(3,333,404)**

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

STATEMENT OF CASH FLOWS
for the year ended 30 June 2024

	Notes	Consolidated Group 2024 $	2023 $
Cash flows from operating activities			
Receipts from customers		5,251,960	3,649,989
Payments to suppliers and employees		(6,658,205)	(5,681,335)
Interest received		38,473	9,079
Interest paid on lease liability		(69,606)	(76,791)
Payments for short term leases	3	(18,426)	(9,300)
Finance costs		(665,959)	(79,398)
Government grants received	4	114,860	295,962
Net cash used in operating activities	22	**(2,006,903)**	**(1,891,794)**
Cash flows from investing activities			
Payments for property, plant and equipment		(5,143,347)	(1,763,441)
Net cash used in investing activities		**(5,143,347)**	**(1,763,441)**
Cash flows from financing activities			
Proceeds from issues of shares		350,000	3,363,162
Payment of share issue costs		(252,691)	(301,257)
Proceeds from issue of convertible notes		2,850,000	-
Proceeds from borrowings		4,800,000	2,200,000
Payment of transaction costs for borrowings		(187,105)	(130,160)
Payment of principal		(344,575)	(214,112)
Payment of principal amounts on lease liability		(415,578)	(405,018)
Net cash from financing activities		**6,800,051**	**4,512,615**
NET INCREASE/(DECREASE) IN CASH HELD		(350,199)	857,380
Cash and cash equivalents at the beginning of the financial year		1,662,787	805,407
Cash and cash equivalents at the end of the financial year	**6**	**1,312,588**	**1,662,787**

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

NOTE 1. STATEMENT OF MATERIAL ACCOUNTING POLICIES

(a) Reporting entity

These consolidated financial statements of Carly Holdings Limited for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the Directors on 28 February 2025.

Carly Holdings Limited (**Parent Entity**) is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange. The consolidated financial statements of the Company for the year ended 30 June 2024 comprise the Company and its subsidiaries (**Consolidated Entity** or **Group**).

The nature of the operations and principal activities of the Group are described in the Directors' Report.

(b) Basis of preparation

Statement of compliance

These financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards (**AASBs**) and other authoritative pronouncements of the Australian Accounting Standards Board (**AASB**). The financial statements of the consolidated entity also comply with International Financial Reporting Standards (**IFRSs**) as issued by the International Accounting Standards Board.

Basis of measurement

The financial statements have been prepared on the accruals and the historical cost bases, or fair value where stated in the notes..

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar unless otherwise stated.

Going concern

These financial statements have been prepared on a going concern basis which assumes the Group realising its assets and extinguishing its liabilities in the normal course of business. The Directors acknowledge that stakeholders may be concerned regarding the ability of the Group to continue as a going concern due to the Group having incurred a net loss during the financial year of $4,177,330 (2023: loss of $3,142,225) and that there is a net working capital deficit of $9,882,484 (2023: $178,014 surplus).

In consideration of the Group's financial position and the capital raising opportunities available to it, the Directors have concluded that a sale of the operating entities will provide the best outcome for shareholders. On 14 February 2025, Carly Holdings signed a non-binding agreement to merge its Carly car subscription business with Carbar Holdings Pty Ltd (**Carbar**) in a deal that will merge two of Australia's largest and original car subscription platforms.

The merger anticipates the sale to Carbar of all of the shares in Carly's operating entities, Carly Car Subscription Pty Ltd (**Carly Car Subscription**), OneX Operations Pty Ltd (**OneX**) and ElevenX Operations Pty Ltd (**ElevenX**) (**the Proposed Transaction**). Following completion of the sale, Carly Holdings will hold shares in Carbar, subject to a 24-month escrow period, which will be the head company of the merged group. The Proposed Transaction is subject to certain conditions precedent including, Carly Holdings shareholder approval pursuant to ASX Listing Rule 11.2 at a general meeting, a notice of meeting for which will be dispatched shortly.

Consideration

The consideration payable by Carbar for the acquisition comprises approximately $3.8 million (prior to working capital adjustments and other completion adjustments) consisting of approximately $160,000 in cash and approximately $3.64 million worth of fully paid ordinary shares in the capital of Carbar (**Carbar Shares**). Working capital and any other adjustments will adjust the Carbar Shares component. The consideration is to be allocated between the Company and its financier (funds associated with iPartners) as described below.

In addition to the consideration payable, as a part of Carbar acquiring the OneX and ElevenX entities, Carbar will also assume the respective asset finance facilities of OneX and ElevenX which, at 31 December 2024, were approximately $6.925 million and $1.2 million respectively. iPartners will provide funding to OneX on revised arrangements as agreed between iPartners and Carbar.

Prior to any completion adjustments, the Proposed Transaction consideration will be allocated to iPartners and Carly as outlined below.

As part of the Proposed Transaction and in order to rationalise the Company's capital structure, iPartners has agreed to cancellation of the existing Convertible Note facility (a liability of $2.76 million recorded in Carly's accounts as at 30 June 2024), and will receive proceeds of approximately $2.77 million worth of Carbar Shares.

Carly will receive proceeds of approximately $160,000 in cash and approximately $0.87 million worth of Carbar Shares, subject to a 24-month escrow period. Any completion adjustments will reduce or increase the Carbar Shares component (as required) and the adjustment will be allocated 50% to iPartners and 50% to the Company.

The cash proceeds from the Proposed Transaction will be utilised to meet the Group's ongoing funding requirements. The cashflow forecast prepared by management indicates a potential insignificant capital raising requirement. Due to the above circumstances there exists a material uncertainty that may cast significant doubt on the ability of the Group to continue as a going concern and, therefore, whether it will be able to realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report. The financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to the amounts and classification of liabilities that might be necessary should it not continue as a going concern.

Material accounting policies

Below are the material accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the periods presented, unless otherwise stated. The financial statements are for the Group consisting of Carly Holdings Limited and its subsidiaries.

(c) Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which form the basis of the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are outlined below:

Estimation of useful lives of assets

The estimation of the useful lives of assets has been based on historical experience. The condition of the assets is assessed at least once per year and considered against the remaining useful life. Depreciation charges are included in Note 9.

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees and executives by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model, using the assumptions detailed in Note 18.

Revenue from contracts with customers

The Group applied the following judgements that affect the determination of the amount and timing of revenue from contracts with customers:

- *Principal versus agent considerations*

The Group acts as an agent to administer the subscription of cars (www.carly.co), except where the vehicles are owned by ElevenX Operations Pty Ltd and OneX Operations Pty Ltd, wholly owned subsidiaries of Carly Holdings, and the Group acts directly with its subscribers as owner of the vehicles. The Group's car subscription service (www.carly.co) provides subscribers access to the use of cars including a choice of options which may suit them in exchange for a subscription fee. These contracts are enforced for the mutual benefit of owners and subscribers and the Group in creating a safe and trusted transactions. The following factors indicate that the Group does not control the goods before they are transferred to customers and that it acts as agent in these contracts: (i) it does not assume inventory risk before or after the subscription arrangement; (ii) does not have significant latitude in determining price of subscription fees (the consideration to the Group is based on the difference between the quoted subscription fee based on market rates of cars for rent, their model and make and agreed prices negotiated by the Group with the owner of cars, vehicles or assets). All cars offered under the subscription options are based on agreed terms with owners.

- *Identifying performance obligations as a distinct service*

The Group's rendering of services according to terms of subscription contracts form one distinct service. The provision of service arrangements for subscribers with varying options according to subscription tiers together form a distinct service within the terms of subscription agreements because subscribers are not able to benefit from the use of cars separately from these service options on their own.

- *Determining the timing of satisfaction of revenue from car subscription services*

The Group concluded that revenue from arranging car subscription services is performed over-time because the customer benefits from the service over the period of the subscription arrangement. Performance obligation of the Group is satisfied over-time because subscribers simultaneously receive the benefits from their subscription during the subscription period.

Provision for expected credit losses of trade receivables

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation. The Group uses a provision matrix to calculate expected credit loss for trade receivables. The provision rates are based on a matrix which approximates expected credit loss based on management's assessment of probable default rates based on aging categories. The information about the expected credit loss on the Group's trade receivables is disclosed in Note 23(c) (ii).

Leases (renewal of office lease term)

The Group entered into a non-cancellable 3-year lease for its office premises on 1 September 2023. The Group measures the right-of-use asset and lease liability for its office premises lease using a 10.47% discount rate (based on commercial borrowing rate at the time of renewal of the office lease).

Leases (Vehicle Leases)

The Group measures the right-of-use assets and lease liabilities for the vehicle leases using a 6.61% discount rate (based on commercial borrowing rate at the time of entering into the leases) over 4-year lease terms. As of 30 June 2024, the Group was leasing 56 vehicles (30 June 2023: 56).

(d) Basis of consolidation

The consolidated financial statements comprise the financial statements of the companies in the Group (as outlined in Note 25).

Subsidiaries are all those entities over which the Group has the power to govern the financial and operating policies to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether a Group controls another entity.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Entity, using consistent accounting policies. In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are fully consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group.

Investments in subsidiaries held by Carly Holdings are accounted for at cost in the separate financial statements of the Parent Entity less any impairment charges. Dividends received from subsidiaries are recorded as a component of other revenues in the separate statement of profit or loss and other comprehensive income of the Parent Entity, and do not impact the recorded cost of the investment. Upon receipt of dividend payments from subsidiaries, the Parent Entity will assess whether any indicators of impairment of the carrying value of the investment in the subsidiary exist. Where such indicators exist, to the extent that the carrying value of the investment exceeds its recoverable amount, an impairment loss is recognised.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values.

The difference between the above items and the fair value of the consideration (including the fair value of any pre-existing investment in the acquiree) is goodwill or a bargain purchase.

A change in the ownership interest of a subsidiary that does not result in a loss of control is accounted for as an equity transaction.

Non-controlling interests are allocated their share of net profit after tax in the statement of profit or loss and other comprehensive income and are presented within equity in the statement of financial position, separately from the equity of the owners of the parent.

Losses are attributed to the non-controlling interest even if that results in a deficit balance.

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary;
- Derecognises the carrying amount of any non-controlling interest;
- Derecognises the cumulative translation differences, recorded in equity;
- Recognises the fair value of the consideration received;
- Recognises the fair value of any investment retained;
- Recognises any surplus or deficit in profit or loss; and
- Reclassifies the Parent Entity’s share of components previously recognised in other comprehensive income to profit or loss.

(e) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments and has been identified as the Board of Directors of Carly Holdings.

(f) Foreign currency translation

Functional and presentation currency

Both the functional and presentation currency of Carly Holdings and its Australian subsidiaries is Australian Dollars ($).

(g) Plant and equipment

Plant and equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Such cost includes the cost of replacing parts that are eligible for capitalisation when the cost of replacing the parts is incurred. Similarly, when each major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement only if it is eligible for capitalisation. All other repairs and maintenance are recognised in profit or loss as incurred. Depreciation is calculated on a straight-line basis over the estimated useful life of the specific assets as follows:

Property and equipment	over 2 to 5 years

Motor vehicles	over 7 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal.

(h) Revenue from contracts with customers

Revenue from rendering services

The Group's car subscription service (www.carly.co) provides customers with access to cars with varying options which could suit them. The subscription service includes varying free km allowance options, damage liability and eligible car 'switch' options packaged into a single monthly recurring payment. Subscribers may start and stop their subscription as their needs change. The Group concludes that it is acting as agent in these arrangements, because it administers the cars under subscription and provides service options according to pre-determined price and conditions negotiated with third party owners involved in these arrangements. The Group is deemed to be acting as a principal, where the owner of the vehicle is a Group entity. The Group recognises revenue from amounts received from subscribers less amounts paid to third party owners. The performance obligation of the Group is satisfied over-time over the duration of the subscription period as subscribers receive the benefits from use of cars. Revenue is recognised rateably over subscription periods, billed at inception of subscription and subsequently thereafter every 15 days for 2 weeks subscription each time.

For disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers see Note 1 (c).

Deferred revenue

Deferred revenue consists of subscription fees received in advance at confirmation which relate to future subscription periods. The Group recognises these amounts as other liabilities on the statement of financial position (see Note 12).

(i) Earnings per share

The consolidated Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Parent Entity by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributed to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise convertible notes and share options granted to employees.

(j) Leases – right of use asset and lease liability

A lease arrangement established by a contract conveys to the user (lessee) the right to control the use of the underlying asset for a period of time in exchange for consideration. For leases with terms not exceeding twelve months the Group has exercised the optional application exemptions. The lease payments under these contracts are recognised on a straight-line basis over the lease term as other operating expenses. The lessee is required to apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit. In all other leases which the Group acts as lessee, the present value of future lease payments is recognised as a lease liability. Lease payments are segregated into principal and interest portions, using the effective interest method. Correspondingly, the right-to-use asset is recognised at the present value of liability including any directly attributable costs at the commencement date of the lease. Payments made before commencement date and incentives received from the lessor are included in the carrying amount of the right-of-use asset. The right-of-use asset is depreciated on a straight-line basis over the lease term, or if shorter, over the useful life of the leased asset.

A remeasurement of lease liabilities is performed where required to reflect any reassessment or lease modifications. Reassessment of lease liabilities is required to reflect any changes to lease payments. The amount of the remeasurement is recognised as an adjustment to the right-of-use asset. However, if the carrying amount of the right-of-use asset is reduced to zero and a further reduction in the measurement of lease liabilities, any remaining amount of the remeasurement is recognised in profit and loss. For lease modifications, these are accounted for as a separate lease if the modification increases both the scope of the lease (by adding the right to use) and the consideration increases commensurate with the stand-alone price for the scope increase. If the lease modification is not accounted for as a separate lease, remeasurement of lease liabilities is done at the effective date of the lease modification.

(k) Borrowing costs

Borrowing costs are expensed in the period they occur and consist of interest and other costs that the entity incurs in connection with the borrowing of funds

(l) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Group recognises financial assets or liabilities when it becomes party to the contractual provisions of the financial instrument.

Financial assets

Financial assets of the Group are classified according to the Group's business model for managing financial assets and their contractual cash flow characteristics. Financial assets are measured at amortised costs if the business holds assets to collect contractual cash flows and contractual terms represent cash flows which are payments of principal and interest and not designated as fair value through profit and loss.

The Group initially recognises financial assets at its fair value plus, transaction costs (where applicable). For the purpose of subsequent measurement (other than those designated and effective as hedging instruments) financial assets are subsequently measured at amortised cost, fair value through profit or loss (FVPL), or fair value through other comprehensive income (FVOCI).

The new classification and measurement of the Group's financial assets which are held within a business model of 'hold to collect' contractual cash flows relate to the Group's trade and other receivables. Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. A financial asset is derecognised when the rights to receive cash flows from the asset have expired or the Group has transferred its right to receive cash flows from the asset. The Group considers if transfer of substantially all the risks and rewards of the asset has occurred or if transfer of control of the asset has occurred. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

- *Impairment of Financial Asset*

The Group applied AASB 9 'Financial Instruments' impairment model in its assessment of allowance for impairment loss on trade receivables. The Group applies an expected credit loss methodology and uses a provisions matrix to estimate expected credit loss. The provision matrix is based on management's assessment of probable default rates based on ageing categories.

Financial liability

The Group's financial liabilities include trade and other payables and borrowings. All financial liabilities are initially recognised at fair value less any transaction costs directly attributable to its issue. After initial recognition, financial liabilities are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when liabilities are derecognised.

Expected credit loss estimate

As described in Note 23(c) and (w) above, the Group applies a simplified approach to measuring expected credit losses in accordance with AASB 9. The Group uses a provision matrix to calculate expected credit loss for trade receivables. The provision rates are based on a matrix which approximates expected credit loss based on management's assessment of probable default rates based on ageing categories. However, where there is no reasonable expectation of recovery, trade receivables are written off.

(m) Comparative figures

Where required by Accounting Standards, comparative figures have been adjusted to conform with changes in presentation for the current financial year and impact, due to adoption of accounting standards described in (y) below.

(n) Changes in accounting policies on initial application of Accounting Standards

Standards and Interpretations applicable to 30 June 2024

The Group adopted AASB 2021-2 which amends AASB 7, AASB 101, AASB 108 and AASB 134 to required disclosure of "material accounting policy information" rather than significant accounting policies in an entity's financial statements. It also updates AASB Practice Statement 2 to provide guidance on the application of the concept of materiality to accounting policy disclosure.

The Group's adoption of the amendments did not have a material impact on the financial statements.

Standards and Interpretations issued but not yet adopted

The Directors have also reviewed all Standards and Interpretations issued and not yet adopted for the year ended 30 June 2024. As a result of this review, the Directors have determined that there is no material impact of the new and revised standards and interpretations in issue not yet adopted and therefore no other material change is necessary to the Group's accounting policies.

NOTE 2: REVENUE FROM CONTRACTS WITH CUSTOMERS

The Group derives its revenue from the provision of services over time in the following major category. This is consistent with the revenue information that is disclosed for the reportable segment under AASB 8 (see Note 21).

	Consolidated Group	
	2024	**2023**
Over time	**$**	**$**
Revenue from vehicle subscription services	3,600,138	2,100,431
Total Revenue	**3,600,138**	**2,100,431**

NOTE 3: OTHER PROFIT AND LOSS ITEMS

Sundry income	37,400	26,400
Gain on fair value of derivatives	90,028	-
	127,428	**26,400**
(a) Corporate and administrative expenses		
Depreciation	7,033	13,004
Depreciation office (ROU asset)	131,228	157,625
Short term lease payments	18,426	9,300
Share-based payments	47,605	98,604
Salaries and wages	2,271,157	2,088,471
Superannuation costs	247,886	214,076
Employee leave entitlements	50,034	(43,919)
Audit fees	55,404	51,072
Interest expense (lease liability)	88,005	49,322
Other corporate and administrative expenses	934,908	327,845
	3,851,686	**2,965,400**

NOTE 4: INCOME TAX

(a) Income tax benefit

The major components of income tax benefit are:		
Current income tax	-	-
Current R&D Tax offset	114,860	127,490
Under/(over) provision in prior year	-	-
Income tax benefit/(expense)	**114,860**	**127,490**

(b) The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

Accounting loss before income tax	(4,292,190)	(3,269,715)
Income tax expense calculated at 25.0% (2023: 25.0%)	(1,073,048)	(817,429)
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	447,574	347,700
Share-based payments	11,901	17,627

NOTE 4: INCOME TAX (Continued)

	Consolidated Group	
	2024 **$**	**2023** **$**
Other deferred tax assets and tax liabilities not recognised	613,572	452,102
Current R&D Tax offset	114,860	127,490
(Under)/over provision in prior year	-	-
Total Income tax benefit/(expense) for the year	**114,860**	**127,490**

(c) Unrecognised deferred tax balances

The following deferred tax assets have not been brought to account:		
Losses available for offset against future taxable income	5,275,343	4,661,771
Accrued expenses and liabilities	111,780	114,054
Unrecognised deferred tax assets	**5,387,123**	**4,775,825**

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

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

(d) Tax rates

The potential tax benefit at 30 June 2024 in respect of tax losses not brought to account has been calculated at 25.0% for Australian entities (2023: 25.0%).

NOTE 5: LOSS PER SHARE

Basic loss per share

The calculation of basic loss per share at 30 June 2024 was based on the loss attributable to ordinary shareholders of $4,177,330 (2023: $3,142,225) and a weighted average number of ordinary shares of 266,266,566 (2023: 176,512,848) calculated as follows:

	Consolidated Group	
Loss attributable to ordinary shareholders (basic)	**2024** **$**	**2023** **$**
Loss attributable to the ordinary shareholders	(4,177,330)	(3,142,225)
	2024 **Number**	**2023** **Number**
Weighted average number of ordinary shares for the purpose of basic earnings per share	266,266,566	176,512,848
Weighted average number of ordinary shares for the purpose of diluted earnings per share	266,266,566	176,512,848
	2024	**2023**
Basic and diluted loss per share from continuing operations (cents per share)	(1.57)	(1.78)

NOTE 6: CASH AND CASH EQUIVALENTS

	Consolidated Group	
	2024	2023
	$	$
Cash at bank and on hand	1,312,588	1,662,787
	1,312,588	**1,662,787**

Cash at bank earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying periods up to three months, depending on the immediate cash requirements of the Group and earn interest at the respective short-term deposit rates.

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 23.

NOTE 7: TRADE AND OTHER RECEIVABLES

	Consolidated Group	
	2024	2023
Current	$	$
Trade receivables (net)	57,473	72,960
Other receivables	(19,338)	84,307
	38,135	**157,267**

The Group's exposure to credit risk and impairment losses relating to trade and other receivables is disclosed in Note 23.

NOTE 8: OTHER ASSETS

Current		
Prepayments	281,648	206,268
Rental Deposit	42,435	53,341
Other deposits	2,350	2,350
	326,433	**261,959**
Non-Current		
Vehicle lease security guarantee account	205,195	201,819
	205,195	**201,819**

NOTE 9: PROPERTY, PLANT AND EQUIPMENT

	Consolidated Group			
	Motor Vehicles	Furniture and Fittings	Leasehold Improvements	Total
	$	$	$	$
Cost	7,443,309	87,692	48,499	7,579,500
Accumulated depreciation	(742,735)	(79,777)	(43,094)	(865,606)
Net book value at 30 June 2024	**6,700,574**	**7,915**	**5,405**	**6,713,894**
Cost	**3,129,778**	**84,258**	**41,874**	**3,255,910**
Accumulated depreciation	**(174,389)**	**(73,964)**	**(41,874)**	**(290,227)**
Net book value at 30 June 2023	**2,955,389**	**10,294**	**-**	**2,965,683**

The reconciliation of the carrying amounts of each class of property, plant and equipment and leasehold improvements at the beginning and the end of the reporting period:

NOTE 9: PROPERTY, PLANT AND EQUIPMENT (Continued)

	Consolidated Group			
	Motor Vehicles	**Furniture and Fittings**	**Leasehold Improvements**	**Total**
2024	**$**	**$**	**$**	**$**
Opening net book value at 1 July	2,955,389	10,294	-	2,965,683
Additions during the year	4,313,531	3,434	6,625	4,323,590
Depreciation expense	(568,346)	(5,813)	(1,220)	(575,379)
Closing net book value at 30 June	**6,700,574**	**7,915**	**5,405**	**6,713,894**
2023				
Opening net book value at 1 July	253,846	10,114	7,317	271,277
Additions during the year	2,837,332	5,867	-	2,843,199
Depreciation expense	(135,789)	(5,687)	(7,317)	(148,793)
Closing net book value at 30 June	**2,955,389**	**10,294**	**-**	**2,965,683**

The addition of new motor vehicles in FY24 was as a result of using the available funding under the iPartners facility.

The depreciation expense associated with motor vehicles is recognised in the Statement of Profit and Loss and Other Comprehensive Income as a cost of sale, whilst the depreciation expense associated with furniture and fittings, and leasehold improvements are recognised as corporate and administrative expenses.

In January 2024, the Group adjusted its estimate for the expected residual value of the motor vehicle fleet. Prior to January 2024 the Group applied a zero value to the expected residual value of the motor vehicles it acquired. From 1 January 2024, the Group began applying an estimated residual value, by individual motor vehicle, based upon external industry data. The change applied to the estimated residual value resulted in a reduction to the monthly depreciation charge of $32,632.

There was no impairment loss relating to property, plant and equipment during the 2024 financial year (2023: nil).

NOTE 10: LEASES

The Group entered into a non-cancellable 3-year lease for its office premises on 1 September 2023. The Group measures the right-of-use asset and lease liability for its office premises lease using a 10.47% discount rate (based on commercial borrowing rate at the time of renewal of the office lease).

The Group measures the right-of-use assets and lease liabilities for the vehicle leases using a range of 6.47% to 7.17% discount rate (based on commercial borrowing rate at the time of entering into the leases) over 4-year lease terms.

NOTE 10: LEASES (Continued)

(a) Right of use asset

The reconciliation of the Right of use of each class of asset at the beginning and the end of the reporting period:

	Consolidated Group		
	Motor Vehicle Leases $	**Office Lease $**	**Total $**
2024			
Opening balance at 1 July	865,263	52,541	917,804
Additions to right-of-use assets	-	351,577	351,577
Depreciation charge for the period	(260,160)	(131,228)	(391,388)
Closing balance at 30 June	**605,103**	**272,890**	**877,993**
2023			
Opening balance at 1 July	725,318	210,166	935,484
Additions to right-of-use assets	386,454	-	386,454
Depreciation charge for the period	(246,509)	(157,625)	(404,134)
Closing balance value at 30 June	**865,263**	**52,541**	**917,804**

The depreciation charge associated with motor vehicles is recognised in the Statement of Profit and Loss and Other Comprehensive Income as a cost of sale, whilst the depreciation charge associated with the office lease is recognised as a corporate and administrative expense.

(b) Lease Liabilities

	Consolidated Group		
	Motor Vehicle Leases $	**Office Lease $**	**Total $**
2024			
Current	309,691	120,483	430,174
Non-Current	341,384	174,082	515,466
Closing balance at 30 June	**651,075**	**294,565**	**945,640**
2023			
Current	286,468	60,302	346,770
Non-Current	640,557	-	640,557
Closing balance value at 30 June	**927,025**	**60,302**	**987,327**

NOTE 10: LEASES (Continued)

(c) Amounts recognised in profit or loss

	Consolidated Group		
	Motor Vehicle Leases $	**Office Lease $**	**Total $**
2024			
Interest on lease liabilities	58,915	29,090	88,005
Depreciation on right-of-use assets	260,160	131,228	391,388
2023			
Interest on lease liabilities	63,329	1,274	64,603
Depreciation on right-of-use assets	216,101	157,625	373,726

(d) Lease Liabilities
Maturity analysis – contractual undiscounted cash flows

	Consolidated Group		
	Total undiscounted cash flows $	**< 12 Months $**	**> 12 Months $**
2024			
Office Lease	346,308	151,325	194,983
Vehicle Lease	706,193	339,379	366,814
Closing balance at 30 June	**1,052,501**	**490,704**	**561,797**
2023			
Office Lease	64,204	64,204	-
Vehicle Lease	1,045,572	339,379	706,193
Closing balance value at 30 June	**1,109,776**	**403,583**	**706,193**

NOTE 11: INTANGIBLE ASSETS

The reconciliation of the carrying amounts of each class of intangibles at the beginning and the end of the reporting period:

	Trademarks $	Total $
Cost	13,136	13,136
Accumulated amortisation	-	-
Accumulated impairment losses	(5,169)	(5,169)
Carrying value at 30 June 2024	**7,967**	**7,967**
Cost	13,136	13,136
Accumulated amortization	-	-
Accumulated impairment losses	(5,169)	(5,169)
Carrying value at 30 June 2023	**7,967**	**7,967**
2024		
Carrying value at 1 July 2023	7,967	7,967
Amortisation charge	-	-
Impairment loss	-	-
Carrying value at 30 June 2024	**7,967**	**7,967**
2023		
Carrying value at 1 July 2022	7,967	7,967
Amortisation charge	-	-
Impairment loss	-	-
Carrying value at 30 June 2023	**7,967**	**7,967**

(a) Description of the Group's intangible assets

(i) Trademarks

Trademarks were acquired through acquisition and are carried at cost less accumulated impairment losses. This intangible asset has been assessed as having an infinite life and therefore is not amortised however is subject to impairment testing on an annual basis or whenever there is an indication of impairment. If an impairment indication arises, the recoverable amount is estimated and an impairment loss is recognised to the extent that the recoverable amount is lower than the carrying amount.

NOTE 12: TRADE AND OTHER PAYABLES

	Consolidated Group	
	2024 $	2023 $
Trade creditors [1]	102,318	381,854
Deposits held [2]	33,545	34,035
Other creditors and accruals [3]	867,658	616,087
Deferred revenue	1,782	5,906
	1,005,303	**1,037,882**

Notes:

1. Trade creditors are non-interest bearing and are normally settled on 30-60 day terms.
2. Deposits held being amounts owing to renters.
3. Accruals include amounts owing to directors for fees.

The Company's exposure to liquidity risk relating to trade and other payables are disclosed in Note 23.

NOTE 13: OTHER LIABILITIES

	Consolidated Group	
	2024 $	2023 $
Current		
Liabilities for annual leave	136,736	108,787
Provision for long service leave [1]	50,959	37,462
	187,695	**146,249**
Non-Current		
Provision for long service leave [1]	17,748	9,170
	17,748	**9,170**

Note:

1. A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of the provision, the probability of long service leave being taken is based on managements' expectations of employee retention.

NOTE 14: LOANS & BORROWINGS

The Group had access to asset finance facilities, which enable Carly to finance motor vehicle purchases of up to an aggregate facility limit of $9,200,000. At balance date the value drawn on these facilities was $9,000,000 (2023: $4,200,000).

Each finance agreement is based on an interest rate agreed by Carly at the time the vehicle is financed. The facility is secured by a security interest in each vehicle acquired.

The issuing of convertible notes is on an unsecured basis. The interest rate for each issued convertible note is interest bearing at 12% p.a., accrued daily and payable quarterly in arrears.

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

NOTE 14: LOANS & BORROWINGS (Continued)

The Group has access to the following lines of credit:

	Consolidated Group	
	2024	**2023**
Total facilities available	**$**	**$**
iPartners Facility A and B	6,903,226	4,000,000
Convertible Notes	2,850,000	-
Vehicle Financing Facilities	2,200,000	2,200,000
	11,953,226	**6,200,000**
Total facilities used at balance date (Gross liability)		
iPartners Facility A and B	6,903,226	2,200,000
Convertible Notes – Financial Liability	2,729,520	-
Convertible Notes – Derivative Liability	30,452	-
Vehicle Financing Facilities	2,000,000	2,000,000
	11,663,198	**4,200,000**
Unused at balance date		
iPartners Facility A	-	1,800,000
Convertible Notes	-	-
Vehicle Financing Facilities	200,000	200,000
	200,000	**2,000,000**
Current		
Loans Payable – amount expected to be settled within 12 months	9,906,016	373,098
Convertible Notes – Derivative Liability	30,452	-
	9,936,468	**373,098**
Non-Current		
Loans Payable – amount expected to be settled after more than 12 months	722,755	3,104,841
	722,755	**3,104,841**

Carrying amount of the non-current assets pledged as security

	2024	**2023**
Total of all facilities	**$**	**$**
Motor vehicle net book value at 30 June	6,700,574	2,955,389
	6,700,574	**2,955,389**

The terms and conditions of the iPartners Facility A and B are as follows:

- First ranking general security deed has been provided by the OneX Operations Pty Ltd ("OneX") as the Borrower and each Guarantor, which is defined as Carly Car Subscription Pty Ltd and Carly Holdings Limited;
- The interest rate of Facility A is fixed at 9.00% p.a., the interest rate of Facility B is fixed at 10.04% p.a.;
- In the event of a Covenant Event or Event of Default, the Lender has access to the Secured Proceeds Account of OneX, which had a balance of $1,938 at 30 June 2024;
- The Borrower must ensure the Gearing Limit does not exceed 90% of the lesser of the Written Down Value and the Wholesale Value of the Funded Vehicles plus the balance of the Secured Proceeds Account; and
- The Group retains minimum cash balances of greater than $250,000.

NOTE 14: LOANS & BORROWINGS (Continued)

The iPartners Facility A has a maturity date of 1 April 2025. The iPartners Facility B has a maturity date of 1 October 2025. All other facilities, including lease liabilities are secured by the underlying acquired vehicle or leased vehicle and have a term of 48 months from the initial acquisition or lease start date.

The entity requested and was granted a waiver request from its external funder, iPartners on the 16th of July 2024. The waiver request was made as a result of a breach of the entity exceeding its 90% LVR requirement for the facility A and B loan covenants with iPartners. As a result of the breach and issuing of the waiver request, the Group has reclassified the loans payable to iPartners as current.

On the 30 November 2023, the Group issued 2,850,000 convertible notes at an issue price of $1.00 per note, raising an additional $2,850,000 (Convertible Note) before transaction costs. The convertible notes have a maturity date of 6 June 2025, are interest bearing at 12% p.a., accrued daily and payable quarterly in arrears.

The key features of the convertible notes, included conversion at the holder's election at any time prior to the maturity date (6 June 2025), volume weighted average price (VWAP) over the previous 60 days on which CL8 shares were traded on the ASX if the trigger share price (TSP):

- If TSP is between $0.048 and $0.080; Conversion Price is a 25% discount to the TSP
- If TSP is less than $0.048; Conversion Price = $0.036
- If TSP is greater than $0.080; Conversion Price = $0.060

An independent assessment and valuation of the convertible notes was undertaken to determine the classification of the convertible notes. It was determined that there are 2 separate components to the Convertible Note; an embedded derivative liability arising due to the variable issue of ordinary shares, and a financial liability. A Monte Carlo simulation approach was taken to determine the value of the embedded derivative, which at 30 June 2024 was determined to be $30,452. The fair value of the embedded derivative was not material at initial recognition, nor at any time during the subsequent period to 30 June 2024. Associated fair value disclosures have not been included.

	Consolidated Group	
Movement in borrowings:	**2024**	**2023**
	$	**$**
Opening balance at 1 July	**3,477,939**	-
Proceeds from vehicle loan borrowings	4,800,000	2,200,000
Proceeds from convertible notes	2,819,548	-
Proceeds from convertible notes – derivative liability	30,452	-
Chattel Mortgage finance	-	1,666,245
Repayment of borrowings	(344,575)	(214,112)
Net transaction costs	(124,141)	(174,194)
Closing balance at 30 June	**10,659,223**	**3,477,939**

The Group's exposure to interest rate risk and a sensitivity analysis for financial assets and liabilities are disclosed in Note 23.

	Consolidated Group	
NOTE 15: ISSUED CAPITAL	**2024**	**2023**
	$	**$**
268,370,391 (2023: 254,370,391) fully paid ordinary shares	**26,849,904**	**26,570,302**

(a) Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds from winding up of the Parent Entity in proportion to the number and amounts paid on the shares held.

On a show of hands every holder of ordinary securities present at a shareholder meeting in person or by proxy is, entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

NOTE 15: ISSUED CAPITAL (Continued)

The following movements in issued capital occurred during the year:

	Year to 30 June 2024		Year to 30 June 2023	
	Number of Shares	**$**	**Number of Shares**	**$**
Balance at beginning of financial period	254,370,391	26,570,302	116,321,978	23,534,881
Issue of shares at $0.024 each: October 2022 Rights Issue	-	-	88,048,413	2,113,162
Issue of shares at $0.025 each: June 2023 Tranche 2 Placement	-	-	50,000,000	1,250,000
Issue of shares at $0.025 each: August 2023 Tranche 1 Placement	14,000,000	350,000	-	-
Less: transaction costs arising from share issues	-	(70,398)	-	(327,741)
Balance at end of financial period	**268,370,391**	**26,849,904**	**254,370,391**	**26,570,302**

During FY 2024, the Company undertook one capital raise:

(a) At the EGM on the 26 July 2023 the Company shareholders approved the issue of a further 14,000,000 fully paid ordinary shares (Tranche 2) and 32,000,000 new CL8O Options exercisable at $0.06 per option, with an expiry date of 31 October 2024, raising an additional $0.35 million under the Tranche 2 Placement. In addition to the 32,000,000 new CL8O Options, the Company shareholders approved the issuing of 10,000,000 new CL8O Options in consideration for Peak Asset Management acting as corporate advisor for the Tranche 1 and Tranche 2 Placement. CL8O Options are exercisable at $0.06 per option, with an expiry date of 31 October 2024.

(b) Options

The following options were issued during the year:

Class	Expiry Date	Exercise Price	Number of Options
Quoted CL8O Options	31 October 2024	$0.0600	42,000,000
Employee Options	1 September 2026	$0.0238	1,950,586
Employee Options	18 September 2026	$0.0285	200,000
Employee Options	18 September 2026	$0.0380	200,000
Employee Options	27 November 2026	$0.0213	384,767
Employee Options	27 November 2026	$0.0255	300,000
Employee Options	27 November 2026	$0.0340	300,000

The following options expired during the financial year:

Class	Expiry Date	Exercise Price	Number of Options
Employee Options	1 September 2023	$0.2500	31,610

The following options lapsed in accordance with the terms of the Company's Incentive Option Plan during the financial year due to the cessation of an employee holding options:

Class	Expiry Date	Exercise Price	Number of Options
Employee Options	1 September 2023	$0.2500	52,137
Employee Options	1 September 2024	$0.0750	227,609
Employee Options	1 September 2025	$0.0437	94,124
Employee Options	18 September 2026	$0.0285	200,000
Employee Options	18 September 2026	$0.0380	200,000

There were no options exercised during the period.

NOTE 15: ISSUED CAPITAL (Continued)

At 30 June 2024, unissued ordinary shares of the Company under option were as follows:

Class	Expiry Date	Exercise Price	Number of Options
Employee Options	1 September 2024	$0.0750	616,740
Quoted CL8O Options	31 October 2024	$0.0600	87,107,979
Employee Options	30 May 2025	$0.0540	250,000
Employee Options	30 May 2025	$0.0720	250,000
Employee Options	1 September 2025	$0.0437	463,873
Executive Options	19 November 2025	$0.3750	1,620,000
Employee Options	14 February 2026	$0.0213	91,414
Employee Options	1 September 2026	$0.0238	1,950,586
Executive Options	18 November 2026	$0.1000	1,250,000
Executive Options	18 November 2026	$0.1800	1,250,000
Executive Options	18 November 2026	$0.2400	1,250,000
Executive Options	18 November 2026	$0.3000	1,250,000
Employee Options	27 November 2026	$0.0255	300,000
Employee Options	27 November 2026	$0.0340	300,000
Employee Options	27 November 2026	$0.0213	384,767
Total number of options			**98,335,359**

Notes to the tables of options:

Except for the Quoted CL8O Options, none of these options are quoted. There are no voting or dividend rights attaching to the options.

(c) Capital management

The Group's objectives when managing capital are disclosed in Note 24.

NOTE 16: SHARE-BASED PAYMENT RESERVE

	Consolidated Group	
	2024	**2023**
	$	**$**
Balance at beginning of the year	946,141	905,610
Options issued	50,437	102,787
Transfer to accumulated losses (options lapsed and expired)	(23,335)	(62,256)
Transfer to issued capital (options exercised)	-	-
Balance at the end of the year	**973,243**	**946,141**

Nature and purpose of reserves

Share-based payment reserve

This reserve records the value of options issued including the value of equity benefits provided to employees, Directors and lead managers supporting Company capital raises as part of their remuneration. Refer to Note 18 for further details of these grants.

NOTE 17: ACCUMULATED LOSSES

	Consolidated Group	
	2024	**2023**
	$	**$**
Reconciliation of movements in accumulated losses:		
Accumulated losses at beginning of the year	(26,999,724)	(23,915,279)
Transfer from reserves	20,503	57,780
Loss for the period	(4,177,330)	(3,142,225)
Accumulated losses at end of the year	**(31,156,551)**	**(26,999,724)**

NOTE 18: SHARE-BASED PAYMENTS

The following share-based payment arrangements were entered into during the year:

Class of Option	Grant date	Expiry date	Exercise Price	Balance at the start of the year	Granted	Exercised/ Lapsed	Vested during the year	Balance at the end of the year
Employee	12 September 2023	1 September 2026	$0.0238	-	1,950,586	-	-	1,950,586
Employee	21 September 2023	18 September 2026	$0.0285	-	200,000	(200,000)	-	-
Employee	21 September 2023	18 September 2026	$0.0380	-	200,000	(200,000)	-	-
Employee	27 November 2023	27 November 2026	$0.0255	-	300,000	-	-	300,000
Employee	27 November 2023	27 November 2026	$0.0340	-	300,000	-	-	300,000
Employee	15 April 2024	27 November 2026	$0.0213	-	247,844	-	-	247,844
Employee	15 April 2024	27 November 2026	$0.0213	-	136,923	-	-	136,923

The valuation model inputs used to determine the fair value at grant dates are outlined below:

Item	Employee Options	Employee Options	Employee Options	Employee Options	Employee Options	Employee Options	Employee Options
Grant date	12 September 2023	21 September 2023	21 September 2023	27 November 2023	27 November 2023	15 April 2024	15 April 2024
Share price at grant date	$0.0170	$0.0180	$0.0180	$0.0170	$0.0170	$0.0170	$0.0170
Expiry date	1 September 2026	18 September 2026	18 September 2026	27 November 2026	27 November 2026	27 November 2026	27 November 2026
Exercise price	$0.0238	$0.0285	$0.0380	$0.0255	$0.0340	$0.0213	$0.0213
Valuation methodology	Black Scholes option pricing model (internal)	Black Scholes option pricing model (internal)	Black Scholes option pricing model (internal)	Black Scholes option pricing model (internal)	Black Scholes option pricing model (internal)	Black Scholes option pricing model (internal)	Black Scholes option pricing model (internal)
VWAP Barrier	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Performance period (years)	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Expected volatility[1]	80%	80%	80%	80%	80%	80%	80%
Risk-free rate	3.85%	4.04%	4.04%	4.22%	4.22%	4.13%	4.16%
Dividend yield	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Number of options	1,950,586	200,000	200,000	300,000	300,000	247,844	136,923
Valuation per option	0.00773	0.00771	0.00646	0.00754	0.00635	0.00849	0.00828
Valuation of options	$15,084	$1,541	$1,291	$2,261	$1,905	$2,104	$1,133

NOTE 18: SHARE-BASED PAYMENTS (Continued)

Notes to the share-based payments tables:

1. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may not necessarily be the actual outcome.

Employee Options

During the year, the Company granted options to employees under the Incentive Option Plan approved by shareholders on 19 November 2018 (**Employee Options**) as set out in the tables above. The fair value of the Employee Options was calculated internally using a Black-Scholes valuation model and fully expensed in the reporting period. All Employee Options vested immediately.

Executive Options

Nil Executive Options were issued during the year.

Refer to the Share-based Compensation section of the Remuneration Report for details of performance conditions attaching to the Executive Options as well as the number of Executive Options that vested during the year.

Expenses arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised during the year as part of corporate and administrative expenses were as follows:

	Consolidated Group	
	2024	**2023**
	$	**$**
Employee Options	22,489	10,147
Executive Options	25,116	51,961
	47,605	**62,108**

Share-based payment transactions recognised in share issue costs

On the 31 May 2023, the Company entered into a mandate with Copeak Corporate Pty Ltd ATF Peak Asset Management Unit Trust (**Peak Asset Management**) to act as lead manager of the 2023 Placement (**Lead Placement Manager Mandate**). Pursuant to the Lead Placement Manager Mandate and upon completion of the Tranche 1 and Tranche 2 Placements, the Company was to issue 10,000,000 Quoted CL8O Options to Peak Asset Management (**Lead Placement Manager Options**). At the Company EGM on the 26 July 2023, the shareholders approved the issuing of 10,000,000 CL8O Options exercisable at $0.06 per option, with an expiry date of 31 October 2024, to Peak Asset Management. These options were accrued at 30 June 2023. and recognised as share issue costs. These options were issued on 24 August 2023.

Total share-based payment transactions recognised during the year as part of share issue costs were as follows:

	Consolidated Group	
	2024	**2023**
	$	**$**
Lead Manager Options	-	8,402
Lead Placement Manager Options	-	28,095
	-	**36,497**

NOTE 18: SHARE-BASED PAYMENTS (continued)

Movements during the year

The following options granted to executives and employees expired or lapsed during the financial year:

Options	Grant Date	Expiry Date	Exercise Price $	Number Expired	Number Lapsed
Employee Options	4 September 2020	1 September 2023	$0.2500	(31,610)	-
Employee Options	4 September 2020	1 September 2023	$0.2500	-	(52,137)
Employee Options	12 October 2021	1 September 2024	$0.0750	-	(227,609)
Employee Options	1 September 2022	1 September 2025	$0.0437	-	(94,124)
Employee Options	21 September 2023	18 September 2026	$0.0285	-	(200,000)
Employee Options	21 September 2023	18 September 2026	$0.0380	-	(200,000)

The following table illustrates the number and weighted average exercise prices of and movements in options issued during the year:

	2024		2023	
	Number	WAEP $	Number	WAEP $
Outstanding at the beginning of year	8,697,508	0.2055	9,156,534	0.2105
Options granted				
Employee Options	1,950,586	0.0238	806,451	0.0437
Employee Options	200,000	0.0285	91,414	0.0213
Employee Options	200,000	0.0380	-	-
Employee Options	300,000	0.0255	-	-
Employee Options	300,000	0.0340	-	-
Executive Options	384,767	0.0213	-	-
Options exercised				
Employee Options	-	-	-	-
Expired during the year				
Employee Options	(31,610)	0.2500	(33,562)	0.2500
Employee Options	-	-	(13,980)	0.5000
Employee Options	-	-	(60,000)	0.2500
Employee Options	-	-	(120,000)	0.2500
Lapsed during the year				
Lead Manager Options	-	-	(327,405)	0.1600
Employee Options	(52,137)	$0.2500	(48,646)	0.2500
Employee Options	(227,609)	$0.0750	(504,844)	0.0750
Employee Options	(94,124)	$0.0437	(248,454)	0.0437
Employee Options	(200,000)	$0.0285	-	-
Employee Options	(200,000)	$0.0380	-	-
Outstanding at the end of year	**11,227,381**	**0.1608**	**8,697,508**	**0.2055**
Exercisable at the end of year	4,607,380	0.0374	2,077,507	0.0684

The weighted average remaining contractual life of options outstanding at the end of the financial year was 1.96 years (2023: 2.79 years).

Modifications of equity-settled share-based payment transactions

No terms of equity-settled share-based payment transactions have been altered or modified by the Company during the 2024 financial year or the 2023 financial year.

NOTE 19: RELATED PARTY DISCLOSURES

	Consolidated Group 2024 $	Consolidated Group 2023 $
(a) Key management personnel compensation		
Short-term benefits	454,167	436,250
Post-employment benefits	37,308	25,640
Share-based payment	25,116	51,961
Total compensation	**516,591**	**513,851**

Note:

Detailed remuneration disclosures are provided in the Remuneration Report on pages 16 to 23.

(b) Other key management personnel transactions

Related party transactions

A number of key management personnel, or their related parties, hold positions in other entities that result in them having control or significant influence over the financial or operating policies of those entities.

The following entities transacted with the Company during the year. The terms and conditions of those transactions were no more favourable than those available, or which might reasonably be expected to be available, on similar transactions to unrelated entities on an arm's length basis.

The aggregate amounts recognised during the year relating to key management personnel and their related parties were as follows:

		Transactions value for the year		Balance outstanding at 30 June	
Director	**Transaction**	**2024 $**	**2023 $**	**2024 $**	**2023 $**
Mr R Blau	Fleet vehicle hire fees[1]	243,756	239,305	44,276	14,778
Mr T Hunter	Platform services[2]	91,665	89,739	12,721	6,975

Notes in relation to the table of other key management personnel transactions

1. An entity associated with Mr Blau and Mr Wundram supplies vehicles to the Group's fleet. The Group acts as agent to administer the subscription use of cars and enforces contracts for the mutual benefit of owners and subscribers. The terms for such services were based on market rates and terms and conditions similar to all fleet supply agreements, and amounts were payable by subscribers for use of the vehicles.
2. A company associated with Mr Hunter is provided platform development and platform licensing services by the Group. The Group provides services relating to the development and set up of a platform to offer car subscription services in New Zealand and subsequently platform licensing and customer service assistance. The terms of such services are based on market rates, and amounts are payable on normal commercial terms.

There are no other key management personnel transactions during the 2024 or 2023 financial years.

(c) Transactions with subsidiaries

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation. Details of transactions between the Group and other related entities are disclosed below:

Loans to related parties

Loans are made by the Parent Entity, Carly Holdings Limited, to its wholly owned subsidiaries for capital purchases and working capital purposes. The loans outstanding between the Parent Entity and its subsidiaries have no fixed date of repayment and are non-interest bearing. Details of the Parent Entity's interest in its subsidiaries are set out in Note 25.

NOTE 19: RELATED PARTY DISCLOSURES (continued)

	Parent Entity	
	2024	2023
	$	$
Non-Current		
Loans to/from subsidiaries	16,509,148	14,322,148
Impairment losses	(16,889,148)	(14,144,642)
Carrying value of loans to/from subsidiaries	**(380,000)**	**177,506**

The Parent Entity has recognised impairment losses in relation to loans to the Carly Car Subscription Pty Ltd. A loan has been provided to OneX Operations Pty Ltd, which as at balance date was not impaired. Refer to Note 26 for further information.

No dividends were received from the subsidiaries in the 2024 or 2023 financial years.

NOTE 20: COMMITMENTS AND CONTINGENCIES

The Group places cancellable orders for new motor vehicles in order to grow its vehicle fleet. The orders are cancellable at the discretion of the Group and are placed in advance to manage the delivery timing. As of the date of this report, the Group did not have any outstanding deliveries.

The Group does not have any other commitments or contingent liabilities at reporting date.

NOTE 21: SEGMENT INFORMATION

The Group had one reportable segment at the end of the period being the vehicle subscription business segment. The Group has identified its segment based on the internal reports that are reviewed on a monthly basis and used by the executive management team (the chief operating decision maker) in assessing performance and in determining the allocation of resources.

Accordingly, the Group operates predominantly in one business segment being the vehicle subscription business. Under the management approach outlined above only one operating segment has been identified and no further disclosure is required in the financial statements.

NOTE 22: CASH FLOW STATEMENT RECONCILIATION

	Consolidated Group	
	2024	2023
	$	$
(a) Reconciliation of net loss after tax to net cash flow from operating activities		
Net loss after income tax	(4,177,330)	(3,142,225)
Adjustments for:		
Depreciation	624,780	248,506
Depreciation (ROU)	347,330	373,726
Amortisation	-	-
Provision for expected credit loss	117,621	89,562
Impairment loss (trademark/goodwill)	-	-
Other non-cash items (including share-based payments)	47,605	70,509
Changes in operating assets and liabilities:		
Change in trade and other receivables	119,131	91,656
Change in prepayments and other assets	(67,850)	(188,666)
Change in trade and other payables	(32,579)	193,934
Change in other liability	1,014,389	371,204
Net cash flows from operating activities	**(2,006,903)**	**(1,891,794)**

NOTE 22: CASH FLOW STATEMENT RECONCILIATION (continued)

(b) Non-cash operating, investing and financing activities

During the year, the Company granted options to employees to assist with the reward, retention and motivation of employees of the Group (refer Note 18).

These transactions are not reflected in the statement of cash flows.

(c) Changes in liabilities arising from financing activities

Consolidated	Chattel Mortgage Facilities $	Borrowings $	Lease Liabilities $
Balance at 1 July 2022	-	-	971,310
Acquisition of borrowings	-	2,200,000	
Net cash from / (used in) financing activities	(214,112)	(130,160)	(405,018)
Acquisition of vehicles	1,424,602	-	386,454
Capitalised costs associated with acquired vehicles*	241,643	-	34,580
Transaction costs net of accumulated amortisation	-	(44,034)	-
Balance at 30 June 2023	**1,452,133**	**2,025,806**	**987,326**
Acquisition of borrowings	-	7,650,000	373,892
Net cash from / (used in) financing activities	(344,575)	(187,105)	(415,578)
Acquisition of vehicles	-	-	-
Capitalised costs associated with acquired vehicles*	-	-	-
Transaction costs net of accumulated amortisation	-	32,512	-
Balance at 30 June 2024	**1,107,558**	**9,521,213**	**945,640**

*Capitalised costs include registration, stamp duty and documentation fees.

NOTE 23: FINANCIAL INSTRUMENTS DISCLOSURE

(a) Overview

The Group's principal financial assets and liabilities include trade and other receivables, cash and short-term deposits and trade payables derived directly from its operations.

The Group is exposed to credit risk, liquidity risk and market risk. This note presents information about the Group's exposure to each of these risks, their objectives, policies and processes for measuring and managing risk, and the management of capital.

The Group's risk management framework is supported by the Board, management and the Audit and Risk Committee. The Board is responsible for approving and reviewing the Company's and consolidated entity's risk management strategy and policy. Management are responsible for monitoring that appropriate processes and controls are in place to effectively and efficiently manage risk. The Audit and Risk Committee is responsible for identifying, monitoring and managing significant business risks faced by the Company and consolidated entity and considering the effectiveness of its internal control system. Management and the Audit and Risk Committee report to the Board.

The Board has established an overall Risk Management Policy which sets out the Group's system of risk oversight, management of material business risks and internal control.

NOTE 23: FINANCIAL INSTRUMENTS DISCLOSURE (continued)

(b) Financial risk management objectives

The overall financial risk management strategy focuses on the unpredictability of the finance markets and seeks to minimise the potential adverse effects on financial performance and protect future financial security.

(c) Credit risk

Credit risk is the risk of financial loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's cash and cash equivalents and trade and other receivables. For the Parent Entity it arises from receivables due from subsidiaries.

The Group does not hold any credit derivatives to offset its credit exposure.

(i) Trade and other receivables

It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their independent credit rating, financial position, past experience and industry reputation.

Purchase limits may be established where appropriate for individual customers in accordance with parameters set by management.

In addition, receivable balances are regularly monitored and acted upon where necessary to ensure the minimisation of bad debts.

The Group trades only with recognised, creditworthy third parties, and as such collateral is generally not requested nor is it the Group's policy to securitise its trade and other receivables.

The Consolidated Group does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Group.

(c) Credit risk (continued)

Exposure to credit risk

The carrying amount of the Group's financial assets represents the maximum credit exposure. The Group's maximum exposure to credit risk at the reporting date was:

	Consolidated Group Carrying Amount	
	2024	**2023**
	$	**$**
Cash and cash equivalents	1,312,588	1,662,787
Trade and other receivables and deposits - current	38,135	157,267
	1,350,723	**1,820,054**

NOTE 23: FINANCIAL INSTRUMENTS DISCLOSURE (continued)

The credit quality is assessed and monitored as follows:

30 June 2024	Equivalent S&P rating[1] A+ and above $	New customers $	Internally rated[2] Closely monitored customers $	No default customers $	Total $
Cash and cash equivalents	1,312,588	-	-	-	1,312,588
Trade receivables - current	-	39,449	18,031	(7)	57,473
Other receivables and deposits	(19,338)	-	-	-	(19,338)
	1,293,250	**39,449**	**18,031**	**(7)**	**1,350,723**
30 June 2023					
Cash and cash equivalents	1,662,787	-	-	-	1,662,787
Trade receivables - current	-	23,114	42,216	7,631	72,961
Other receivables and deposits	84,306	-	-	-	84,306
	1,747,093	**23,114**	**42,216**	**7,631**	**1,820,054**

Notes:

1. The equivalent S&P rating of the financial assets represents that rating of the counterparty with whom the financial asset is held rather than the rating of the financial asset itself.
2. New customers are counterparties with whom the Group has traded for less than one year. No default customers are customers with whom the Group has traded for greater than one year and have no history of default, late payments, renegotiated terms or breach of their credit terms within the past two years. Closely monitored customers are customers with whom the Group has traded for greater than one year and do not qualify as no default customers.

(ii) Expected credit loss

The Group applies the AASB 9 simplified approach to measuring expected credit losses. The Group uses a provision matrix to calculate expected credit loss for trade receivables. The provision rates are based on a matrix which approximates expected credit loss based on management's assessment of probable default rates based on aging categories. However, where there is no reasonable expectation of recovery, trade receivables are written off.

In the current period, the Group recognised an impairment loss on receivables from customers in cost of sales in the consolidated statement of profit or loss and other comprehensive income, amounting to $117,621 (2023: $89,562) using the provision matrix and it is set out below:

	Probable default rates %	Gross carrying amount $	Expected credit loss $
0-30 days (not due)	0-20%	59,185	10,621
31-90 days	60-90%	18,278	14,060
91-180 days	80%	7,858	7,357
More than 180 days	100%	348,473	344,315
		433,794	**376,353**

(d) Liquidity risk

Liquidity risk arises from the financial liabilities of the Group and the Group's subsequent ability to meet their obligations to repay their financial liabilities as and when they fall due.

NOTE 23: FINANCIAL INSTRUMENTS DISCLOSURE (continued)

Ultimate responsibility for liquidity risk management rests with the Board of Directors. The Board has determined an appropriate liquidity risk management framework for the management of the Group's

short, medium and long-term funding and liquidity management requirements. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank loans, redeemable convertible notes and unsecured interest-free loans.

The Group manages liquidity risk by maintaining adequate reserves, monitoring the total expected and actual cash inflows and outflows on a monthly basis and matching the maturity profiles of financial assets, expenditure commitments and liabilities.

The following are the contractual maturities of financial liabilities, including estimated interest payments.

Cash flows for liabilities without fixed amount or timing are based on conditions existing at year end.

At 30 June 2024	Average fixed interest rate payable %	Carrying amount $	Contractual cash flows $	≤ 6 months $	6-12 months $	>12 months $	Total $
Trade creditors	-	102,318	(102,318)	(102,318)	-	-	(102,318)
Other creditors	-	901,202	(901,202)	(901,202)	-	-	(901,202)
Borrowings	9.92%	10,659,223	(10,749,251)	(194,110)	(9,832,386)	(722,755)	(10,749,251)
Lease liability	7.86%	945,640	(945,640)	(215,087)	(215,087)	(515,466)	(945,640)
		12,608,383	**(12,698,411)**	**(1,412,717)**	**(10,047,473)**	**(1,238,221)**	**(12,698,411)**
At 30 June 2023							
Trade creditors	-	381,854	(381,854)	(381,854)	-	-	(381,854)
Other creditors	-	650,124	(650,124)	(650,124)	-	-	(650,124)
Borrowings	7.95%	3,477,939	(3,477,939)	(186,549)	(186,549)	(3,104,841)	(3,477,939)
Lease liability	6.60%	987,326	(987,326)	(173,385)	(173,385)	(640,556)	(987,326)
		5,497,243	**(5,497,243)**	**(1,391,912)**	**(359,934)**	**(3,745,397)**	**(5,497,243)**

(e) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and commodity prices will affect the consolidated entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

Exposure to foreign currency risk

The Board does not consider the Group is materially exposed to changes in foreign exchange rates. As a result, the Group does not currently seek to mitigate its foreign currency exposures. The Group had no exposure to foreign currency risk at balance date.

Interest rate risk

The Group's exposure to interest rates relates to the Group's cash holdings which are invested in variable rate instruments. The Group is not exposed to interest rate risk on its borrowings and leases associated with its fleet of vehicles as the interest rates applied to these financial liabilities are fixed for the term of the lease or term of borrowing.

The Board manages these risks by monitoring levels of exposure to interest rate risk and assessing market forecasts for interest rates. The Group does not hedge against these risks.

NOTE 23: FINANCIAL INSTRUMENTS DISCLOSURE (continued)

Profile

The Group had the following exposure to interest rate risk at reporting date:	Consolidated Group	
	2024	**2023**
	$	**$**
Variable rate instruments		
Financial assets		
Cash and cash equivalents	1,312,588	1,662,787
Net exposure	**1,312,588**	**1,662,787**
Fixed rate instruments		
Financial liabilities		
Borrowings	10,659,223	3,477,939
Leases	945,640	987,327
Net exposure	**11,604,863**	**4,465,266**

Sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Sensitivity analysis for variable rate instruments

A change of 25 basis points in interest rates at reporting date (2023: 25 basis points) would have increased/(decreased) equity and profit or loss by the amounts shown below. The reasonable change has been calculated on the basis of historical changes in interest rates. This analysis assumes that all other variables remain constant.

	Profit or loss	
30 June 2024	**25 bp increase**	**25 bp decrease**
	$	**$**
Variable rate instruments	3,281	(3,281)
30 June 2023	**25 bp increase**	**25 bp decrease**
	$	**$**
Variable rate instruments	4,157	(4,157)

(f) Fair value of financial instruments

The fair values of financial assets and liabilities are determined in accordance with generally accepted pricing models based on estimated future cash flows. The Directors consider that the carrying amounts of financial assets and financial liabilities recorded in the financial statements approximate their fair values.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2); and
(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

NOTE 24: CAPITAL MANAGEMENT

When managing capital, the Board's objective is to ensure the entity continues as a going concern as well as to maintain optimal returns to shareholders and benefits for other stakeholders. The Board also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

The Board adjusts the capital structure to take advantage of favourable costs of capital or high return on assets. Capital structure is predominantly driven by the capital requirements of the Group.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position although there is no formal policy regarding gearing levels.

The Group has no formal financing and gearing policy or criteria during the year. This position has not changed from the previous year.

There were no changes in the Group's approach to capital management during the year.

The Group is not subject to any externally imposed capital requirements.

NOTE 25: INTEREST IN SUBSIDIARIES

(a) Subsidiaries

The consolidated financial statements include the financial statements of Carly Holdings Limited and its subsidiaries listed in the following table:

Subsidiary	Country of Incorporation	Date of Incorporation	Equity Interest 2024 %	Equity Interest 2023 %
Carly Car Subscription Pty Ltd	Australia	5 September 2009	100	100
Drive My Fleet Pty Ltd	Australia	15 December 2010	100	100
ElevenX Operations Pty Ltd	Australia	28 May 2021	100	100
OneX Operations Pty Ltd	Australia	15 March 2023	100	100

(b) Ultimate parent

Carly Holdings Limited is the ultimate parent entity, incorporated in Australia on 20 September 1994.

NOTE 26: PARENT ENTITY INFORMATION

The following details information related to the Parent Entity at 30 June 2024. The information presented has been prepared using accounting policies disclosed in Note 1.

(a) Statement of financial position

	Parent Entity	
	2024	**2023**
	$	**$**
CURRENT ASSETS		
Cash and cash equivalents	1,280,951	1,255,532
Trade and other receivables	7,260	4,840
Other current assets	43,500	60,167
Total Current Assets	1,331,711	1,320,539
NON-CURRENT ASSETS		
Investments in subsidiaries	1,700,000	2,257,505
Intangible assets	-	-
Right of use asset (office lease)	272,889	52,542
Total Non-Current Assets	1,972,889	2,310,047
TOTAL ASSETS	**3,304,600**	**3,630,586**
CURRENT LIABILITIES		
Loans payables	2,614,570	-
Trade and other payables	198,766	308,867
Lease liability	120,483	60,303
Derivative liability	30,452	-
Total Current Liabilities	2,964,271	369,170
NON-CURRENT LIABILITIES		
Lease liability	174,082	-
Total Non-Current Liabilities	174,082	-
TOTAL LIABILITIES	**3,138,353**	**369,170**
NET ASSETS	**166,247**	**3,261,416**
EQUITY		
Issued capital	26,849,904	26,570,303
Reserves	973,243	946,141
Accumulated losses	(27,656,900)	(24,255,028)
TOTAL EQUITY	**166,247**	**3,261,416**

(b) Statement of profit or loss and other comprehensive income

Net loss for the year [1]	(3,422,375)	(3,080,259)
Total comprehensive loss for the year	**(3,422,375)**	**(3,080,259)**

1. During the year, impairment losses of $2,744,505 were recognised in relation to loans receivable from subsidiaries as at 30 June 2024 (2023: $2,540,000).

(c) Commitments and contingencies

The Parent Entity did not have any commitments or contingencies at reporting date.

	Consolidated Group	
	2024	**2023**
NOTE 27: AUDITORS' REMUNERATION	**$**	**$**
Audit and half year review of financial reports (HLB Mann Judd (WA) Partnership)	**53,000**	**48,500**

NOTE 28: EVENTS SUBSEQUENT TO REPORTING DATE

The entity requested, and was granted, a waiver request from its external funder, iPartners. The waiver request was made as a result of a breach by the entity exceeding its 90% LVR requirement for the facility A and B loan covenants with iPartners.

The entity assessed the raising of additional funding during H1 FY25 to support the existing iPartners loan covenants and ongoing vehicle acquisitions strategy, however suitable funding was not available. On 14 February 2025 the entity signed a non-binding agreement to merge its Carly car subscription business with Carbar Holdings Pty Ltd **(Carbar)** in a deal that will merge two of Australia's largest and original car subscription platforms. The merger will take place via the sale to Carbar of all of the shares in Carly's operating entities, Carly Car Subscription Pty Ltd, OneX Operations Pty Ltd and ElevenX Operations Pty Ltd (**Proposed Transaction**). Following completion of the sale, Carly will hold shares in Carbar which will be the head company of the merged group. The Proposed Transaction is subject to Carly shareholder approval pursuant to ASX Listing Rule 11.2 at a general meeting, a notice of meeting for which will be dispatched shortly. As outlined below, the waiver from iPartners is ongoing so that the Proposed Transaction can be completed.

The Company has also entered into a binding deed of agreement with iPartners Nominees Pty Ltd **(Deed)** pursuant to which the parties have agreed key objectives around completing the Proposed Transaction, managing the existing operations of Carly and its subsidiaries in a cost-efficient manner so that the Proposed Transaction can be completed; the terms upon which iPartners will provide the relevant consents and waivers to facilitate the Proposed Transaction and processes that may be followed in the event the Proposed Transaction does not complete. All operational decisions regarding the Company remain the responsibility of the Directors. The Deed will remain in place until the earlier of completion of the Proposed Transaction or the Proposed Transaction failing to complete

Other than the matters described above, there has not arisen in the interval between the end of the year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Consolidated Entity Disclosure Statement as at 30 June 2024

Basis of preparation

This consolidated entity disclosure statement has been prepared in accordance with the s295(3A)(a) of the *Corporations Act 2001* and includes the required information for Carly Holdings Limited and the entities it controls in accordance with AASB 10 *Consolidated Financial Statements*.

Tax residency

S295(3A)(vi) of *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997.* The determination of tax residency may involve judgement as there are different interpretations that could be adopted and which could give rise to different conclusions regarding residency.

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

Australian tax residency

Current legislation and judicial precent has been applied, including having regard to the Tax Commissioner's public guidance.

Trusts and partnerships

Australian tax law generally does not contain residency tests for trusts and partnerships and these entities are typically taxed on a flow-through basis. Additional disclosures regarding the tax status of trusts and partnerships have been included where relevant.

Name of entity	Entity type	Trustee, partner or participant in joint venture	Country of incorporation	% of share capital	Australian or foreign tax resident
Carly Holdings Limited	Body Corporate	n/a	Australia	100%	Australian
Carly Car Subscription Pty Ltd	Body Corporate	n/a	Australia	100%	Australian
Drive My Fleet Pty Ltd	Body Corporate	n/a	Australia	100%	Australian
ElevenX Operations Pty Ltd	Body Corporate	n/a	Australia	100%	Australian
OneX Operations Pty Ltd	Body Corporate	n/a	Australia	100%	Australian

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Carly Holdings Limited, I state that:

1. In the opinion of the Directors of Carly Holdings Limited:

   (a) the accompanying financial statements and notes for the financial year ended 30 June 2024 are in accordance with the Corporations Act 2001 including:

      (i) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on that date; and

      (ii) complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements;

   (b) the financial report complies with International Financial Reporting Standards issued by the International Accounting Standards Board;

   (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and

   (d) the information disclosed in the consolidated entity disclosure statement is true and correct.

2. This declaration has been made after receiving the declaration required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2024.

On behalf of the Board:

Chris Noone
Chief Executive Officer/ Executive Director

Dated at Sydney, New South Wales this 28th of February 2025.

HLB MANN JUDD
ADVISORY AND ACCOUNTING

INDEPENDENT AUDITOR'S REPORT
To the Members of Carly Holdings Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Carly Holdings Limited ("the Company") and its controlled entities ("the Group"), which comprises the statement of financial position as at 30 June 2024, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

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

(a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended; and

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

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

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

Material Uncertainty Related to Going Concern

We draw attention to Note 1(b) in the financial report, which indicates 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to the matter described in the *Material Uncertainty Related to Going Concern* section, we have determined the matters described below to be the key audit matters to be communicated in our report.

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Key Audit Matter	How our audit addressed the key audit matter
Revenue from contracts with customers Refer to note 1(c) and Note 2	
During the financial year ended 30 June 2024, the Group recorded revenue of $3,600,138 from vehicle subscription services. The Group derives fees from rendering services as an agent in the vehicle subscription services market, as well as earning revenue from the provision of vehicle subscription services for vehicles owned or leased by the Group. We determined this to be a key audit matter as it is important to the users' understanding of the financial statements and the value of revenue recognised is material.	Our procedures included, but were not limited to: - evaluating management's processes and the design and implementation of relevant controls; - assessing whether revenue had been recognised in accordance with the requirements of accounting standards; - consideration of the risk of fraud in revenue recognition; - ensuring revenue was recognised in the correct period; - conducting analytical and substantive procedures over revenue; - consideration of whether the Group is acting as principal or agent; and - ensuring the adequacy of disclosures within the financial report.
Lease accounting Refer to Note 10	
As at 30 June 2024, the Group has recognised current lease liabilities of $430,174 and non-current lease liabilities of $515,466 in relation to an office lease and vehicle leases. We determined lease accounting to be a key audit matter as it is material, important to the users' understanding of the financial statements and involved the most audit effort and communication with management.	Our procedures included, but were not limited to: - evaluating management's processes and the design and implementation of relevant controls; - reviewing the underlying lease contracts; - ensuring leases were accounted for in accordance with the requirements of AASB 16 *Leases*; - ensuring lease liabilities and right of use assets had been correctly determined; - reperforming lease calculations on a sample basis; - ensuring the classification between current and non-current lease liabilities was correct; and - ensuring the adequacy of disclosures within the financial report.
Financed acquisitions of motor vehicles Refer to Note 9 and Note 14	
During the financial year to 30 June 2024, the Group pursued its hybrid vehicle supply strategy by financing the purchase of new vehicles. The vehicles were purchased using loan facilities and are secured via chattel mortgages. As at 30 June 2024, the carrying value of motor vehicles is $6.70 million and associated loans payable are $10.66 million.	Our procedures included, but were not limited to: - evaluating management's processes and the design and implementation of relevant controls; - ensuring the correct classification of liabilities as current or non-current;

Financed acquisitions of motor vehicles Refer to Note 9 and Note 14	
We determined this to be a key audit matter as the balance is material, required significant audit time and effort and is important to the users' understanding of the financial statements.	- assessing whether the Group was in compliance with financial covenants at the end of and during the period; - reviewing the terms of the loan agreements; - assessing the Group's application of relevant accounting standards to the loan agreements; - performing substantive testing over a sample of additions; - reviewing the appropriateness of depreciation during the period; - reperforming depreciation expense calculations for a sample of vehicles; - obtaining external confirmation of loan balances as at 30 June 2024; and - ensuring the adequacy of disclosures within the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

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

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

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

(a) the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
(b) the consolidated entity disclosure statement that is true and correct and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or 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 Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included within the Directors' Report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Carly Holdings Limited for the year ended 30 June 2024 complies with Section 300A of the *Corporations Act 2001*.

Responsibilities

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

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

M R Ohm
Partner

Perth, Western Australia
28 February 2025

Details of securities as at 25th February 2024

Capital structure

Securities	Number
Fully paid ordinary shares	268,370,391
Convertible Note expiring 5 June 2025	2,850,000
Employee Options exercisable at $0.0540 each and expiring on 30 May 2025	250,000
Employee Options exercisable at $0.0720 each and expiring on 30 May 2025	250,000
Employee Options exercisable at $0.0437each and expiring on 1 September 2025	463,873
Executive Options exercisable at $0.3750 each and expiring on 19 November 2025	1,620,000
Employee Options exercisable at $0.0213 each and expiring on 14 February 2026	91,414
Employee Options exercisable at $0.0238 each and expiring on 1 September 2026	1,950,586
Executive Options exercisable at $0.1000 expiring on 18 November 2026	1,250,000
Executive Options exercisable at $0.1800 expiring on 18 November 2026	1,250,000
Executive Options exercisable at $0.2400 expiring on 18 November 2026	1,250,000
Executive Options exercisable at $0.3000 expiring on 18 November 2026	1,250,000
Employee Options exercisable at $0.0255 each and expiring on 27 November 2026	300,000
Employee Options exercisable at $0.0340 each and expiring on 27 November 2026	300,000
Employee Options exercisable at $0.0213 each and expiring on 27 November 2026	384,767
Employee Options exercisable at $0.015 each and expiring on 1 September 2027	2,134,840

Top holders

The 20 largest registered holders of each class of quoted security were:

Fully paid ordinary shares

	Name	Number	%
1.	WILLOUGHBY CAPITAL PTY LTD <WILLOUGHBY CAPITAL A/C>	53,484,772	19.93%
2.	SG FLEET MANAGEMENT PTY LIMITED	39,439,375	14.70%
3.	MS CHUNYAN NIU	14,000,000	5.22%
4.	TURNERS AUTOMOTIVE GROUP LIMITED	8,582,136	3.20%
5.	KARNANI PTY LTD <KARNANI FAM SF A/C> <KARNANI A/C>	8,330,000	3.10%
6.	BELLITE PTY LTD <MEYER FAMILY A/C>	7,291,666	2.72%
7.	10 BOLIVIANOS PTY LTD	6,372,414	2.37%
8.	LJ & K THOMSON PTY LTD <LJT & KT SUPER FUND A/C>	6,270,000	2.34%
9.	MYOLA (WA) PTY LTD <BRENT MEZGER FAMILY A/C>	6,073,777	2.26%
10.	MR ABUSAD AHMAD	4,674,724	1.74%
11.	MR AAMIR PARKAR	4,633,640	1.73%
12.	ASB NOMINEES LIMITED <513640 - ML A/C>	4,170,998	1.55%
13.	MR BENJAMIN NORMAN THOMPSON	4,170,000	1.55%
14.	NOONE HOLDINGS PTY LTD <C AND K NOONE FAMILY A/C >	3,503,750	1.31%
15.	MR ALEXANDER JOHN FAHEY	3,017,087	1.12%
16.	BNP PARIBAS NOMINEES PTY LTD<IB AU NOMS RETAILCLIENT>	2,982,448	1.11%
17.	MR BRADLEY PARTRIDGE	2,803,500	1.04%
18.	MRS BELINDA COLUBRIALE <BELINDA PRIORIELLO A/C>	2,720,000	1.01%
19.	MR WAYNE ALLAN KENNERLEY <MASTER JOHN KENNERLEY A/C>	2,250,000	0.84%
20.	NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	2,187,500	0.82%
		186,957,787	**69.66%**

Distribution schedules

A distribution schedule of each class of equity security:

Fully paid ordinary shares

Range		Holders	Units	%
1	- 1,000	61	19,071	0.01%
1,001	- 5,000	160	533,018	0.20%
5,001	- 10,000	98	713,657	0.27%
10,001	- 100,000	257	10,107,117	3.77%
100,001	- Over	157	256,997,528	95.76%
Total		**768**	**268,370,391**	**100.00%**

Unquoted securities

Class	Expiry Date	Exercise Price	Number of Options	Number of Holders
Employee Options	30 May 2025	$0.0540	250,000	1
Employee Options	30 May 2025	$0.0720	250,000	1
Employee Options	1 September 2025	$0.0437	463,873	4
Executive Options	19 November 2025	$0.3750	1,620,000	1
Employee Options	14 February 2026	$0.0213	91,414	2
Employee Options	1 September 2026	$0.0238	1,950,586	8
Executive Options	18 November 2026	$0.1000	1,250,000	1
Executive Options	18 November 2026	$0.1800	1,250,000	1
Executive Options	18 November 2026	$0.2400	1,250,000	1
Executive Options	18 November 2026	$0.3000	1,250,000	1
Employee Options	27 November 2026	$0.0255	300,000	1
Employee Options	27 November 2026	$0.0340	300,000	1
Employee Options	27 November 2026	$0.0213	384,767	2
Employee Options	1 September 2027	$0.0150	2,134,840	10

Substantial shareholders

The names of substantial shareholders and the number of shares to which each substantial shareholder and their associates have a relevant interest, as disclosed in substantial shareholding notices given to the Company, are set out below:

Substantial shareholder	Number of Shares
Willoughby Capital Pty Ltd <Willoughby Capital A/C>	53,484,772
SG Fleet Group Limited (ASX:SGF)	39,439,375

Unmarketable parcels

Holdings less than a marketable parcel of ordinary shares (being 38,394 as of 25 February 2025):

Holders	Units
474	4,259,784

Voting Rights

The voting rights attaching to ordinary shares are:

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

Options do not carry any voting rights.

On-Market Buy Back

There is no current on-market buy-back.