Austco Healthcare Limited
Appendix 4E – Year End Financial Report
For the Year Ended 30 June 2025
Results for Announcement to the Market

Current Reporting Period - Year Ended 30 June 2025

Previous Reporting Period - Year Ended 30 June 2024

	% Change Up/(down)	30 June 2025 $'000	30 June 2024 $'000
Revenue from activities	**40.0%**	81,405	58,153
Foreign Exchange gain/(loss)		40	(65)
Other Income		75	14
Interest income		324	63
Revenue excluding interest income	**40.3%**	**81,520**	**58,102**
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**61.8%**	**13,029**	**8,050**
Depreciation and amortisation expenses		(2,866)	(2,314)
Earnings before interest and tax (EBIT)	**77.2%**	**10,163**	**5,736**
Contingent consideration expensed		(2,201)	-
Net interest expense		95	(86)
Profit before income tax expense	**42.6%**	**8,057**	**5,650**
Income tax (expense)/credit		(2,124)	1,426
Net Profit after tax for the period	**(16.2%)**	**5,933**	**7,076**
Other comprehensive income net of tax:			
Currency translation difference		681	(159)
Total comprehensive income for the period	**(4.4%)**	**6,614**	**6,917**
Net Profit after tax attributable to:			
Members of Austco Healthcare Limited		5,933	7,076
Non-controlling interests		-	-
		5,933	**7,076**
Total comprehensive income attributable to:			
Members of Austco Healthcare Limited		6,614	6,917
Non-controlling interests		-	-
		6,614	**6,917**
Net Tangible Asset per Security (cents per security – including ROU)		5.42	5.47
Earnings per share attributable to the ordinary equity holders of the company (cents per security):			
Basic Earnings per Share		1.633	2.328
Diluted Earnings per Share		1.602	2.293
Record date for determining entitlements to the dividend			Not Applicable

Dividends (distribution)	**Amount per Security**	**Franked Amount per Security**
Final dividend	n/a	n/a
Previous corresponding period	n/a	n/a

Explanation of the above information: Refer to the Directors' Report - Review of Operations for further information on the Company's operations over the past 12 months and note 28 regarding the acquisition of G&S Technologies

Austco Healthcare Limited

ABN 67 108 208 760

Financial Statements
For the year ended 30 June 2025

CONTENTS

Directors' Report

Your Directors present their report on the consolidated entity consisting of Austco Healthcare Limited (**Austco**) and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors

The names of the Directors in office during the financial year and at the end of the year were:

Mr Clayton Astles (Chief Executive Officer & Executive Director)

Since his appointment as CEO and Executive Director in July 2015, Mr Astles has helped position Austco Healthcare as a global leader in the nurse call and clinical software solutions market. Under his leadership, Austco established a Software Development Centre in the United States, which developed the company's next-generation products and positioned Austco as a leader in the healthcare technology industry.

Prior to his current role, Mr Astles served as President of Austco Marketing & Services (USA) Ltd., where he played a key role in establishing and expanding Austco's operations in the United States. As CEO, Mr Astles has been committed to building high-performing, collaborative teams that drive the company's innovation and growth.

Mr Astles has over 20 years of leadership experience in the healthcare technology industry and holds a diploma in Electronics Engineering.

Mr Graeme Billings (Non-Executive Chairman)

Mr Billings was appointed Chairman in October 2015. He has been a Chartered Accountant since 1980 and retired from PriceWaterhouseCoopers in 2011 after 34 years. He is a former head of the Melbourne assurance practice as well as heading the firm's Australian and global industrial products business. He has had extensive experience providing assurance, transaction and consulting services to multinational and national companies across a variety of industries.

Mr Billings is Chairman and Non-Executive Director of Amotiv Limited and Non-Executive Director of Clover Corporation Limited. Graeme also serves as the Chairman of the audit and compliance committee of Clover Corporation Limited.

Mr Brett Burns (Non-Executive Director)

Mr Burns is a corporate governance and legal professional with over 25 years of experience in the field. He has been serving as a Non-Executive Director since October 2015, bringing a wealth of expertise and strategic insight to his role. Mr Burns is the Managing Partner of CBW Partners, a boutique corporate law firm known for its specialization in mergers and acquisitions, debt and equity capital markets, and governance for ASX-listed companies.

Throughout his extensive career, Mr Burns has held significant roles, including Company Secretary and General Counsel for an ASX top-20 company, senior positions in private practice with prominent national and international law firms, as well as regulatory roles with the Australian Securities and Investments Commission. Reflecting Mr Burns' commitment to governance, he is a graduate of the Australian Institute of Company Directors.

Mr Anthony Glenning (Non-Executive Director)

Mr Glenning was appointed Non-Executive Director in September 2018. Mr Glenning is a seasoned Chief Executive and Non-Executive Director with a career spanning 25 years in the software development industry, 14 of those years living and working in Silicon Valley. In 1999, he founded Tonic Systems, a web application development company which he built up over 8 years and sold to Google in 2007 as part of the Google doc suite of products. He transferred to Google post acquisition where he worked as Senior Software Engineer for two years. From 2010 to 2018, Mr Glenning was an Investment Director for Starfish Ventures, based in Melbourne, a venture capital firm that specialises in Australian high growth technology businesses, and during that time held numerous directorships including at Atmail, Design.com (formerly DesignCrowd), MetaCDN and Nitro Software. Currently, Mr Glenning is a Fund Advisor to Skalata Ventures, investing in early stage companies, preparing them to scale and grow into significant and sustainable businesses.

Mr Glenning is a Non-Executive Director of ASX listed companies Pro Medicus (PME) and Iress (IRE). He holds a Bachelor of Engineering (Electrical) and a Bachelor of Computer Science from The University of Melbourne and a Master of Science (MSEE) from Stanford University in California.

Mrs Ann Larkins (Non-Executive Director)

Mrs Larkins brings an exceptional combination of clinical expertise and extensive leadership experience in health IT and digital transformation. As the Executive Director and Chief Information Officer (CIO) at the Australian Red Cross Lifeblood, Mrs Larkins has successfully led significant initiatives, including cloud migrations, infrastructure uplifts and implementing advanced enterprise systems such as SAP SuccessFactors and Oracle FIMS.

Before her role at Lifeblood, Mrs Larkins held senior leadership positions at Barwon Health and Alfred Health, where she led innovative projects as Executive Director and CIO across Health Information Services and ICT Divisions. Her accomplishments include implementing electronic medical records, emergency department and patient administration software, telehealth programs, and patient flow management tools, highlighting her expertise in using technology to improve healthcare efficiency and patient care outcomes.

Mrs Larkins holds a Master of Business Technology from the University of New South Wales, has a Critical Care Nursing clinical background, is a Certified Healthcare CIO (ChiME – College of Healthcare Information Management Executives - USA) and graduate of the Australian Institute of Company Directors.

Company Secretary

The following persons held the position of Company Secretary during and at the end of the financial year:

Mr Brendan Maher (Company Secretary)

Mr Maher was appointed Company Secretary in October 2018, joining Austco as a qualified Chartered Accountant with 30 years' experience gained both in Australia and overseas with Arthur Andersen, National Westminster Bank, Skilled Group and Adslot Limited. Mr Maher has extensive experience in financial reporting, corporate transactions and was Chief Financial Officer at Adslot as well as Company Secretary of Skilled Group and Adslot prior to joining Austco. Mr Maher is a member of the Institute of Chartered Accountants in Australia and New Zealand and is a graduate of the Australian Institute of Company Directors.

Directors' meetings

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

	Director Meetings		Audit & Risk Management Committee		Nomination & Remuneration Committee	
	Held	Attended	Held	Attended	Held	Attended
Graeme Billings	10	10	5	5	1	1
Brett Burns	10	10	5	5	1	1
Clayton Astles	10	10	5	5	1	1
Anthony Glenning	10	10	5	5	1	1
Ann Larkins	6	6	3	3	-	-

Mr Billings is Chairman of the Company's Board of Directors and of the Audit & Risk Management Committee. Mr Burns is Chairman of the Nomination & Remuneration Committee.

Mrs Ann Larkins joined the board on 16 December 2024.

Directors' Interests in the shares and options of the Company

The following table sets out each director's relevant interest in shares, options or performance rights in shares of the Company at the date of this report.

	# of ordinary shares	# of options over ordinary shares	# of performance rights over ordinary shares
Clayton Astles	4,563,035	-	1,499,225
Graeme Billings	530,776	-	-
Brett Burns	1,409,337	-	-
Anthony Glenning	1,058,870	-	-
Ann Larkins	-	-	-

Principal Activities

The principal activities of the Group during the financial year were:

- Development of software and manufacture of hardware relating to healthcare and electronic communications systems.
- Global marketing and sales of electronic healthcare communication systems to established and new customers.
- Installation of own developed and manufactured electronic healthcare communication systems together with other third party sourced complementary low voltage systems, including access control and security systems.

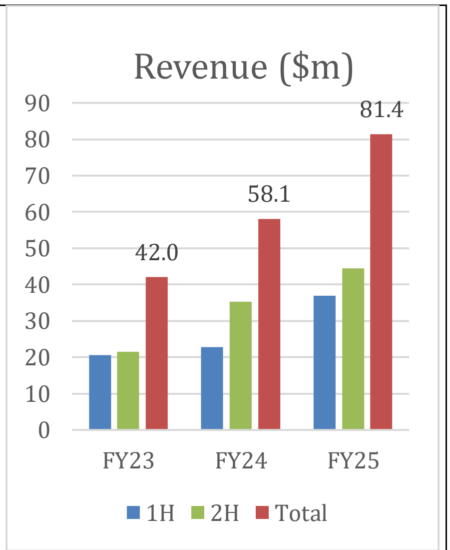
Operating and financial review

Austco Healthcare Limited (Austco), a global leader in clinical communications solutions, announces record revenues and growing EBITDA and profits.

Revenues from customers

Total FY25 revenue was $81.4 million — an increase of $23.3 million, or 40%, compared to FY24. This marks another record result, driven by both organic growth in existing operations and additional revenue from acquisitions.

All three acquisitions to date have been established Austco-authorised resellers. Under consolidation accounting rules, sales to these businesses, which were previously recorded as organic revenue, are now eliminated from reported results. As a result, reported revenue figures may not fully reflect the underlying growth of our organic business.

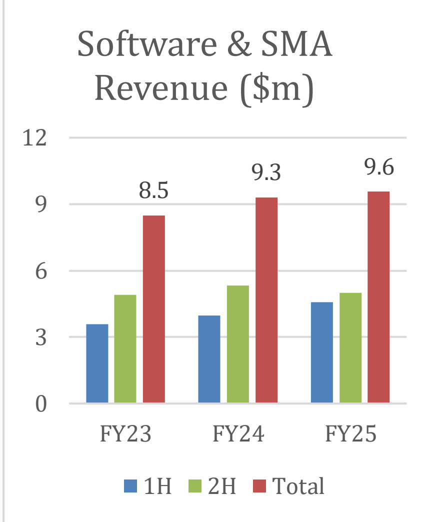


Software and SMA revenues from customers

Software and SMA revenues increased by 3% (or $0.3 million) to $9.6 million in FY25.

Software revenues reported here include sales of standalone software applications, as well as software required to integrate products into our Tacera system. In recent years, an increasing proportion of our software development has been embedded directly into our equipment at the time of manufacture. As this embedded software is not sold separately, it is reflected within equipment revenue rather than software revenue.

This shift contributes to higher gross margins within equipment sales, although it is not shown in the graph presented here.



Gross Margins on revenues from customers

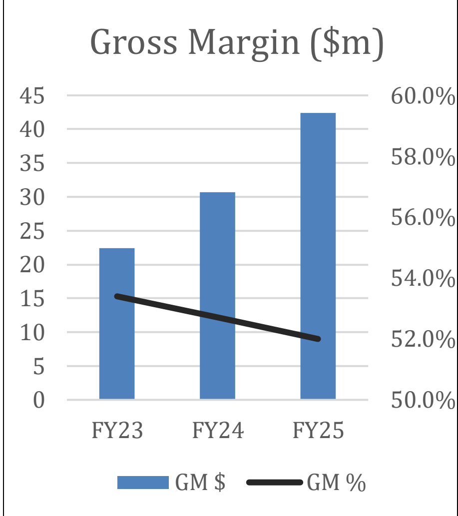
In FY25, gross margin was $42.4 million — up $11.7 million, or 38%, compared to FY24. This growth was driven by higher overall revenue.

The gross margin percentage eased slightly from 52.7% to 52.0%, continuing the trend seen last year. This modest decline reflects the acquisition of three services businesses over the past two years.

Margin performance was also influenced by US tariffs, especially the uncertainty that was created within the supply chain but also influencing customer decisions.

While input costs have decreased marginally, due to our long sales cycle, the benefits of these will be seen in future periods.

Integration of the new acquisitions is also expected to bring cost efficiencies. These are expected to be addressed through planned operational improvements and supply chain efficiencies in FY26, supporting margin growth.



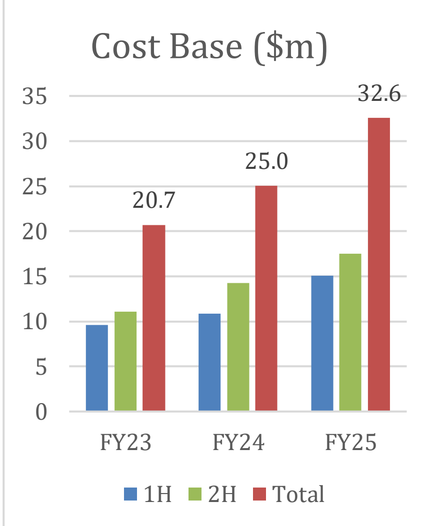
Indirect Cost Base

Overhead expenses increased by $6.9 million to $32.6 million in FY25. A significant portion of this increase relates to the three acquired businesses. As integration progresses and functions are merged across the group, it becomes harder to precisely separate costs between organic and acquired operations.

These figures exclude the one-off $2.2 million contingent consideration expense, mainly from finalising the Amentco earn-out.

M&A-related costs were $0.1 million in FY25, down from $0.5 million in FY24, reflecting greater use of internal resources for transaction execution.

Investment in Research and Development rose to $4.8 million in FY25 (FY24: $4.5 million), including $2.0 million of capitalised costs and $1.6 million in amortisation.



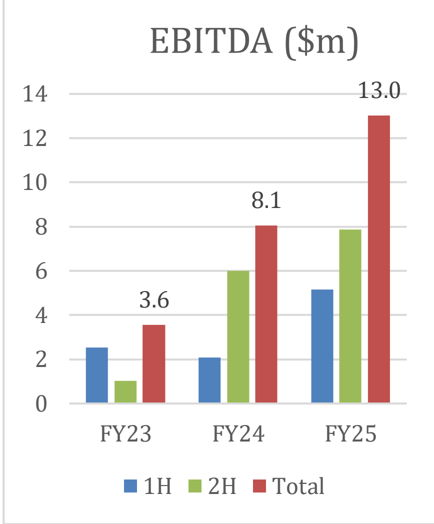
Directors' Report

EBITDA

EBITDA of $13.0 million in FY25 was up 62% from $8.1 million in FY24, driven by strong revenue growth and successful acquisitions.

As EBITDA focuses on core operational performance, it excludes non-operational capital structure costs, including the one-off $2.2 million contingent consideration expense mainly related to finalising the Amentco earn-out.

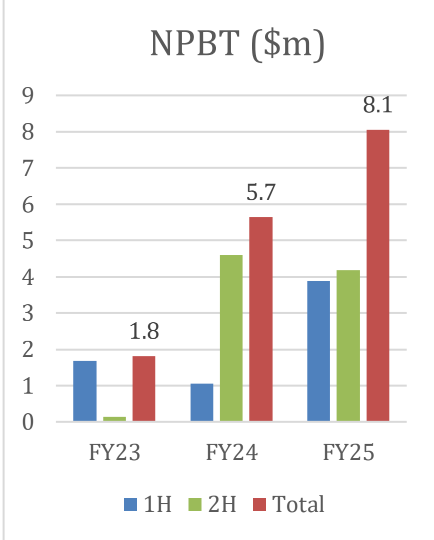
Demonstrating the company's operating leverage, EBITDA margins have improved significantly, increasing from 8.5% in FY23, to 13.8% in FY24, and reaching 16.0% in FY25.



Statutory Net Profit Before Tax

Net Profit Before Tax grew strongly in FY25, reaching $8.1 million compared to $5.7 million in FY24 and $1.8 million in FY23. This performance represents compound growth over the past three years, underpinned by both revenue expansion and improved operating leverage. The FY25 result highlights the benefits of our strategic initiatives and disciplined execution.

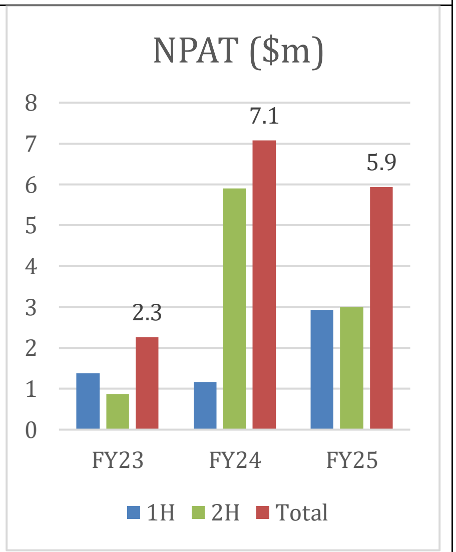
In FY25, both the first and second halves contributed almost equally to earnings, with NPBT of approximately $4.0 million in each period. This balanced performance demonstrates the sustainability of earnings momentum, reducing reliance on a single trading period and providing greater predictability in our financial outcomes.



Statutory Net Profit after Tax

Net Profit After Tax (NPAT) for FY25 was $5.9 million, compared to a record $7.1 million in FY24 and $2.3 million in FY23. The decline from FY24 reflects the impact of a $1.4 million tax credit booked in FY24 from the recognition of material tax assets, compared to a $2.1 million tax expense in FY25.

In addition, FY25 included a $2.2 million one-off contingent consideration expense, which was not tax deductible, resulting in an effective tax rate of 26% for the year. Adjusting for these tax-related impacts, underlying NPAT performance remained strong and consistent with the prior year's operating results.

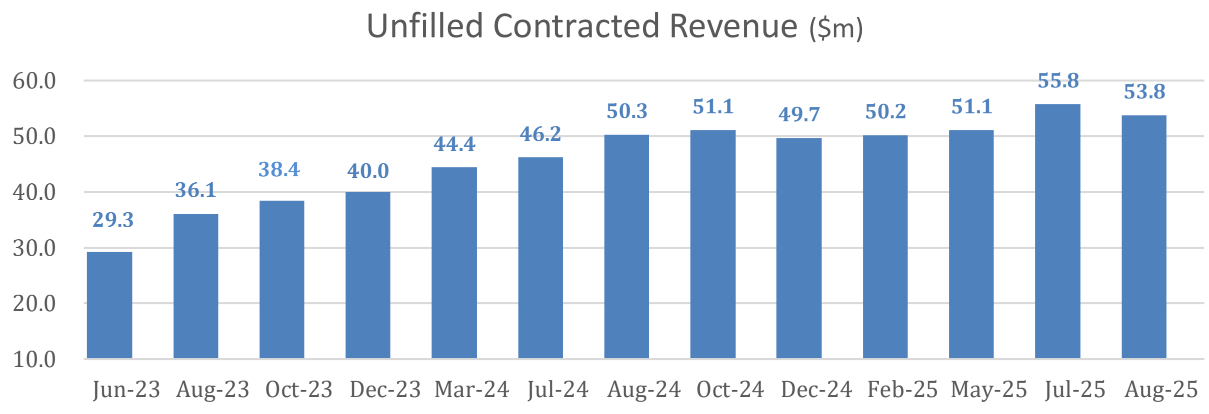


Unfilled Contracted Revenue

Recent large contract wins in North America and growth in most other regions across the group have contributed to the continued growth of Austco's Unfilled Contracted Revenue (UCR). Our UCR book now stands at $53.8 million at 13 August 2025. This includes a net $6.3 million from the recently acquired G&S, being their UCR less orders they had open with Austco NZ.

UCRs represent confirmed contracted orders from customers that have not yet been fulfilled and, as such, no revenue recognised.

Despite record revenues being delivered in FY25, our new sales wins have outpaced revenue delivery, which has given rise to our consistent growth in UCR.



Research & Development

In the reporting period, the Company invested $4.8 million (FY24; $4.5 million), of which $2.0 million was capitalised (FY24; $2.3 million) in the development of its innovative nurse call and clinical communications platform, Tacera. Austco involves healthcare staff of all levels in the design process, ensuring our products meet the requirements of nurses, patients and healthcare administrators.

The profit and loss impact of capitalising $2.0 million of the FY25 R&D investment is partly offset by $1.6 million of R&D amortisation expense in FY25.

Our latest major product release, our second version of the Application Station, runs all three of our interactive applications: alarm management, workflow (virtual call buttons), and room information (a bed card application showing information about the room and occupant).

Globally, our Tacera and Pulse brands are recognised as top-tier solutions for healthcare communications and clinical workflow.

Cash and Working Capital Position

Cash on hand was $14.5m at 30 June 2025, up from $13.6 million at June 2024. Cash generated from operating activities of $13.48 million reflected underlying profitability and allowed for the investment into further businesses (G&S acquired in May 2025) without the need for debt or raising capital. Despite working capital increasing as a result of acquiring G&S, the Group is well placed to fund future contingent consideration obligations without the need for liquidity events, if it chooses to do so.

Significant changes in the state of affairs

In the opinion of the Directors, other than the acquisition of G&S Technologies, which is outlined in note 28 of the financial statements, there were no significant changes in the state of affairs of the consolidated entity during the financial year under review not otherwise disclosed in this Annual Report.

Events after the reporting date

There were no material events after the reporting date.

Likely future developments and expected results of operations

The likely developments in the Group's operations, to the extent that such matters can be commented upon, are covered in the Directors' Report contained elsewhere in this Annual Report.

The consistent growth trajectory and improved half-on-half stability position the company well for continued expansion. With strong market demand, an integrated product offering, and operational efficiencies flowing through to the bottom line, we are confident in our ability to sustain earnings growth into FY26 and beyond.

Environmental regulation

The Group's operations are not significantly impacted by any environmental regulation under a law of the Commonwealth or of a State or Territory of Australia.

Dividends

No dividend has been declared for the year ended 30 June 2025 (2024: Nil).

Shares under option

As at the date of this report, there were 173,500 unissued ordinary shares under options (3,641,000 at reporting date). Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company.

As at the date of this report, 5,800,643 performance rights were issued to senior management as detailed in the Remuneration Report. These performance rights remain unvested as at the date of this report.

Shares issued on the exercise of options

During the year ended 30 June 2025, some 3,292,500 ordinary shares of Austco Healthcare Limited were issued on the exercise of options granted (2024: 3,295,465). Some 3,467,500 further shares were issued up to the date of this report on the exercise of options granted.

No shares were issued during the year ended 30 June 2025, or up to the date of this report, in relation to performance rights.

Insurance and indemnifying directors and officers

The Group has paid premiums to insure each of the directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director of the Group, other than conduct involving a wilful breach of duty in relation to the Group. Under the Company's Constitution, the Company indemnifies the Directors and officers of the Company and its wholly owned subsidiaries to the full extent permitted by law against any liability and all legal costs in connection with proceedings incurred by them in their respective capacities.

The Group has a Directors & Officers Liability Insurance policy in place for all current and former officers of the Group and its controlled entities. The policy affords cover for loss in respect of liabilities incurred by Directors and Officers where the Group is unable to indemnify them and covers the Group for indemnities provided to its Directors and Officers. This does not include liabilities that arise from conduct involving dishonesty. The Directors have not included the details of the premium paid with respect to this policy, as this information is confidential under the terms of the policy.

Proceedings on behalf of the company

No person has applied to the Court under section 237 of the Corporations Act 2001 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 purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

Grant Thornton

Grant Thornton Audit Pty Ltd
Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222

Auditor's Independence Declaration

To the Directors of Austco Healthcare Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Austco Healthcare Limited for the year ended 30 June 2025, I declare that, to the best of my knowledge and belief, there have been:

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

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

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

M J Climpson
Partner – Audit & Assurance

Melbourne, 26 August 2025

Indemnification of auditors

The Company has agreed to indemnify its auditors, to the extent permitted by law, Grant Thornton Audit Pty Ltd (Grant Thornton) as part of the terms of its audit engagement agreement. The indemnity covers claims made by third parties against Grant Thornton arising from any advice or opinion Grant Thornton provides to the Company, which the Company provides to that third party without the consent of Grant Thornton.

No payment has been made to indemnify Grant Thornton during or since the financial year.

Non audit services

The following non-audit services were provided by the entity's auditor, Grant Thornton. The directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised.

Grant Thornton Australia received or are due to receive the following amounts for the provision of non-audit services:

	$
Tax compliance services	15,000
Total	15,000

Taxation compliance services totalling $30,618 were paid to Grant Thornton and its overseas affiliates (Note 26).

Rounding of amounts

The Company is an entity to which ASIC Corporations (Rounding in Financial/Directors Reports) Instrument 2016/191 applies and, accordingly, amounts in the financial statements and Directors' report have been rounded to the nearest thousand dollars.

REMUNERATION REPORT (Audited)

The remuneration report is set out under the following headings:

Section 1: Remuneration report overview
Section 2: Remuneration policy
Section 3: Executive employment agreements
Section 4: Details of directors' and key management personnel fees and remuneration
Section 5: Share based compensation
Section 6: Equity holdings and transactions
Section 7: Other transactions with key management personnel

1. Remuneration report overview

The Directors of Austco Healthcare Limited present the Remuneration Report (the Report) for the Company and its controlled entities for the year ended 30 June 2025. This Report forms part of the Directors' Report and has been audited in accordance with section 200A of the *Corporations Act 2001*. The Report details the remuneration arrangements for the Group's key management personnel (KMP):

- Non-executive directors (NEDs); and
- Executive directors and senior executives (collectively the executives).

KMP are those persons who have authority and responsibility for planning, directing and controlling the major activities of the Group. The table below outlines the KMP of the Group and their movements during FY25:

Name	Position	Term as KMP
Non-executive directors		
Graeme Billings	Non-executive Chair	Full financial year
Brett Burns	Non-executive Director	Full financial year
Anthony Glenning	Non-executive Director	Full financial year
Ann Larkins	Non-executive Director	From 16 December 2024
Executive directors		
Clayton Astles	Managing Director/Chief Executive Officer	Full financial year
Senior executives		
Brendan Maher	Chief Financial Officer, Chief Operating Officer ANZ	Full financial year

2. Remuneration policy

The remuneration policy of the Group has been designed to align director and executive objectives with shareholder and business objectives by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results.

The Board of Austco Healthcare Limited believes the remuneration policy to be appropriate and effective in its ability to attract and retain the best executives and directors to run and manage the Company, as well as create goal congruence between directors, executives and shareholders.

The Board's policies for determining the nature and amount of remuneration for Board members and senior executives of the Group are detailed below.

Remuneration Report

The remuneration policy, setting the terms and conditions for the Executive Directors and other senior executives, was developed by the Nomination & Remuneration Committee and approved by the Board. All senior executives receive a base salary (which is based on factors such as length of service and experience), superannuation, fringe benefits, and are entitled to options and performance rights incentives if performance targets are met and incentives are approved by the Directors. The Nomination & Remuneration Committee reviews executive packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

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

Executives are also entitled to participate in the employee share incentive plan.

All remuneration paid to directors and executives is valued at the cost to the Group and expensed. Options are valued using the Black Scholes methodology and performance rights are valued using a zero price performance options methodology.

The Board's policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Nomination & Remuneration Committee (excluding those being assessed) determines payments to the Non-Executive Directors and reviews their remuneration annually based on market practice, duties and accountability. Independent external advice is sought when required. The maximum aggregate amount of fees that can be paid to Non-Executive Directors is subject to approval by shareholders at the Annual General Meeting. Fees for Non-Executive Directors are not linked to the performance of the Group. However, to align the directors' interests with shareholder interests, the directors are encouraged to hold shares in the Company and are able to participate in the employee share plan.

Principles used to determine the nature and amount of remuneration

a) Executive Compensation

The objective of the Group's executive remuneration and reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders and conforms to market best practice for delivery of reward. The Board ensures that executive reward satisfies the following key criteria for good reward governance practices:

- competitiveness and reasonableness
- acceptability to shareholders
- performance linkage / alignment of executive compensation
- transparency
- capital management

The Group has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the organisation. This comprises fixed remuneration, cash bonuses and a share ownership incentive plan.

The fixed remuneration includes base salary, superannuation or its overseas equivalent and other non-monetary benefits and is set with reference to comparable roles in similar companies and is designed to reward for:

- the scope of the executive's role;
- the executive's skills, experience and qualifications; and
- individual performance.

Variable incentive – cash

Executives have the opportunity to earn annual incentive awards, which are delivered as cash bonuses and/or allocations of Options or Performance Rights under the company's Employee Share Incentive Plan.

Annual cash incentives are awarded based on performance against objectives set at the beginning of each year. The objectives vary depending on the role of the executive but are chosen as they reflect the core drivers of short-term performance and also provide a framework for delivering sustainable value to the Company, its shareholders and customers. They cover both financial and non-financial Group and business unit measures of performance.

Financial measures include:	**Non-Financial measures include:**
Net Profit after Tax	Product Development
Revenue targets	Process Improvements
Gross Margin targets	Safety & Regulatory Compliance
	Leadership and team contribution

The final award is determined after the end of the financial year following a review of the performance over the year against the objectives by the CEO, and in the case of the CEO, by the Remuneration Committee. The Board approves the final award based on this assessment of performance.

Variable incentive – equity

Executives also have the opportunity to be awarded annual incentive awards, which prior to 2024 were an allocation of Options and from 2024 are an allocation of Performance Rights under the company's Employee Share Incentive Plan.

In addition to a continuous employment test, the vesting conditions currently are:

	EPS Growth Targets (60% of award)		**Indexed TSR (iTSR) (40% of award)**	
	CAGR in EPS (3 years)	Percent of Award	Company's TSR Compared to Movement in an Index	Percent of Award
Minimum	5%	25%	= Index Movement	25%
Target	8%	50%	Index Movement +5%	50%
Stretch	>12%	100%	Index Movement +10%	100%

Currently, the Indexed TSR benchmark is the S&P ASX small industrials index.

The remuneration and reward strategy of the Group seeks to align executives' and shareholders' interests which:

- has economic profit as a core component of plan design;
- focuses on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering a constant return on assets as well as focusing the executive on key non-financial value drivers; and
- attracts and retains high calibre executives.

Remuneration Report

The remuneration and reward strategy of the Group seeks to align program participants' interests which:

- rewards capability and experience;
- reflects competitive reward for contribution to growth in shareholder wealth;
- provides a clear structure for earning rewards; and
- provides recognition for contribution.

b) Non-Executive Directors

Fees and payments to Non-Executive Directors reflect the demands which are made on, and the responsibilities of, the Directors. Non-Executive Directors' fees and payments are reviewed annually by the Board. The maximum fees payable to Non-Executive Directors as agreed to by the Company's members at a previous Annual General Meeting are $450,000.

Overview of Group Performance

The following table shows the gross revenue, profits and dividends for the last five years as well as the share price at the end of each year.

	2025 $'000	2024 $'000	2023 $'000	2022 $'000	2021 $'000
Revenue from customers	81,405	58,153	41,978	35,882	31,250
Profit/(Loss) for the year	5,933	7,076	2,258	2,328	3,424
Overall Earnings Per Share (cents)	1.82	2.33	0.78	0.82	1.20
Share price at year end	$0.290	$0.180	$0.170	$0.100	$0.125
Dividends paid (cents per share)	0.00	0.00	0.475	0.00	0.00

Performance payments, in the form of cash bonuses or share based payments, to Key Management Personnel are disclosed in the report and table below and are paid in accordance with employment agreements and on achievement of set milestones, which may be based on financial and non-financial outcomes. Payment of cash bonuses and options or shares are assessed on an annual basis by the board of directors and payment of incentive bonuses is at the discretion of the board of directors.

Voting at the Company's 2024 Annual General Meeting ("AGM")

At the 2024 AGM, the majority of shareholders' votes cast, 97.32%, were in favour of adopting the 2024 Remuneration Report.

3. Executive employment agreements

The employment conditions of the key executives are formalised in contracts of employment or service agreements. Contractual terms for most executives are similar but do, on occasions, vary to suit different needs. The following table summarises the key contractual terms for all key management personnel.

Fixed Remuneration	Remuneration comprises salary and statutory superannuation contributions where the executive is employed in Australia
Incentive Plans	Eligible to participate. Incentive criteria and award opportunities vary for each executive.
Notice Period	The Chief Executive Officer has a 1-year notice period and the Chief Financial Officer has a 3-month notice period.
Resignation	Employment may be terminated by giving notice consistent with the notice period.
Retirement	There are no financial entitlements due from the Group on retirement of an executive.
Termination by the Group	The Group may terminate the employment by providing notice consistent with the notice period or payment in lieu of the notice period.
Redundancy	There are no contractual commitments to pay redundancy over and above any statutory entitlement.
Termination for serious misconduct	The Group may terminate the employment agreement at any time without notice, and the executive will be entitled to payment of remuneration only up to the date of termination.

Remuneration Report

4. Details of directors' and key management personnel fees and remuneration

2025	**Short Term Employee Benefits**			**Long Term Benefits**	**Share Based Payments**		**Post Employment Expenses**		**Performance Related**
	Salaries, Fees and Commissions	**Cash Bonus**	**Other Benefit**	**Annual and long service leave**	**Equity settled Options**	**Performance Rights**	**Super-annuation**	**Total**	**%**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	
Directors									
Clayton Astles (i)	595,329	290,073	53,911	-	7,613	79,438	-	1,026,364	28%
Graeme Billings	76,233	-	-	-	-	-	8,767	85,000	0%
Brett Burns	62,780	-	-	-	-	-	7,220	70,000	0%
Anthony Glenning	66,390	-	-	-	-	-	3,610	70,000	0%
Ann Larkins	34,288	-	-	-	-	-	3,943	38,231	0%
Other key management personnel:									
Brendan Maher	350,353	80,000	-	4,836	5,639	41,819	30,000	512,647	16%
	1,185,373	**370,073**	**53,911**	**4,836**	**13,252**	**121,257**	**53,540**	**1,802,242**	

2024	**Short Term Employee Benefits**			**Long Term Benefits**	**Share Based Payments**		**Post Employment Expenses**		**Performance Related**
	Salaries, Fees and Commissions	**Cash Bonus**	**Other Benefit**	**Annual and long service leave**	**Equity settled Options**	**Performance Rights**	**Super-annuation**	**Total**	**%**
	$	**$**	**$**	**$**	**$**	**$**	**$**	**$**	
Directors									
Clayton Astles (i)	564,299	285,812	49,592	-	36,000	18,800	-	954,503	30%
Graeme Billings	76,577	-	-	-	-	-	8,423	85,000	0%
Brett Burns	63,063	-	-	-	-	-	6,937	70,000	0%
Anthony Glenning	63,063	-	-	-	-	-	6,937	70,000	0%
Other key management personnel:									
Brendan Maher	338,992	80,000	-	14,706	26,000	11,417	27,000	498,115	16%
	1,105,994	**365,812**	**49,592**	**14,706**	**62,000**	**30,217**	**49,297**	**1,677,618**	

(i) Mr. Astles is remunerated in US dollars at US$380,000, which has not changed since 2015.

The proportion of the cash bonus paid/payable or forfeited is as follows:

	Cash bonus paid/payable			**Cash bonus forfeited**	
	2025	**2024**		**2025**	**2024**
Clayton Astles	100%	100%		0%	0%
Brendan Maher	100%	100%		0%	0%

5. Share Based Compensation

During the year ended 30 June 2025, Austco commenced issuing Performance Rights and paused the issuing of further Options to senior management. The services and performance criteria set to determine share-based compensation under the shareholder approved Employee Share Incentive Plan are discussed under the remuneration policy in section 2 of the Remuneration Report.

5 (a). Share Based Compensation - Options

All options were granted by Austco Healthcare Limited over ordinary shares for Nil consideration. The following table shows the grants of share-based compensation in the form of Options to KMP during the year ended 30 June 2025. No Options have been granted to Non- Executive Directors:

Name	Balance at beginning of the year	Granted during the year	Expired during the year	Exercised during the year	Balance at the end of the year	Total Unvested
Clayton Astles	2,700,000	-	-	1,350,000	1,350,000	-
Brendan Maher	2,000,000	-	-	1,000,000	1,000,000	-
	4,700,000	**-**	**-**	**2,350,000**	**2,350,000**	**-**

The options are valued using the Black-Scholes pricing model and are subject to the employees meeting continuity of service conditions. No options were granted during the year ended 30 June 2025.

The following table shows the grants of share-based compensation in the form of Options to KMP during the year ended 30 June 2024. No Options have been granted to Non- Executive Directors:

Name	Balance at beginning of the year	Granted during the year	Expired during the year	Exercised during the year	Balance at the end of the year	Total Unvested
Clayton Astles	4,096,276	-	-	1,396,276	2,700,000	1,350,000
Brendan Maher	3,047,207	-	-	1,047,207	2,000,000	1,000,000
	7,143,483	**-**	**-**	**2,443,483**	**4,700,000**	**2,350,000**

The options are valued using the Black-Scholes pricing model and are subject to the employees meeting continuity of service conditions. No options were granted during the year ended 30 June 2024.

Details of Options over ordinary shares in the Company provided as remuneration of Key Management personnel are set out below. No Options have been granted to Non- Executive Directors:

	2025 Number	**2025 $**		**2024 Number**	**2024 $**
Clayton Astles	1,350,000	$7,613		2,700,000	$36,000
Brendan Maher	1,000,000	$5,639		2,000,000	$26,000
	2,350,000	**$13,252**		**4,700,000**	**$62,000**

The assessed fair value at issue date of the options granted to the executive are allocated equally over the period from issue date to vesting date and the amount is included in the remuneration tables above.

Shares issued on exercise of compensation options

Some 3,292,500 options were exercised during the year ended 30 June 2025.

5 (b). Share Based Compensation – Performance Rights

All performance rights were granted by Austco Healthcare Limited over ordinary shares for Nil consideration. The following table shows the grants of share-based compensation in the form of Performance Rights to KMP during the year ended 30 June 2025. No Performance Rights have been granted to Non- Executive Directors:

Name	Balance at beginning of the year	Granted during the year	Expired during the year	Conversion during the year	Balance at the end of the year
Clayton Astles	677,486	821,739	-	-	1,499,225
Brendan Maher	411,429	451,304	-	-	862,733
	1,088,914	**1,273,043**	**-**	**-**	**2,361,958**

The performance rights were valued using a zero price performance options methodology and are subject to the employees meeting performance criteria and continuity of service conditions (as set out in section 2 of the Remuneration Report). The model inputs for Performance Rights granted during the year ended 30 June 2025 included:

Model Inputs	**Series 2027**	**Model Inputs**	**Series 2027**
Grant date	1 October 2024	Share price at grant date	25.5 cents
Expiry date	30 November 2027	Expected dividend yield	1.1%
Exercise price	Nil	Discount Rate	7.9%

The following table shows the grants of share-based compensation in the form of Performance Rights to KMP during the year ended 30 June 2024. No Performance Rights have been granted to Non- Executive Directors:

Name	Balance at beginning of the year	Granted during the year	Expired during the year	Conversion during the year	Balance at the end of the year
Clayton Astles	-	677,486	-	-	677,486
Brendan Maher	-	411,429	-	-	411,429
	-	**1,088,914**	**-**	**-**	**1,088,914**

The performance rights were valued using a zero price performance options methodology and are subject to the employees meeting performance criteria and continuity of service conditions (as set out in section 2 of the Remuneration Report). The model inputs for Performance Rights granted during the year ended 30 June 2024 included:

Model Inputs	**Series 2026**	**Model Inputs**	**Series 2026**
Grant date	27 September 2023	Share price at grant date	18.5 cents
Expiry date	30 September 2026	Expected dividend yield	0%
Exercise price	Nil	Discount Rate	8.0%

Remuneration Report

Details of Performance Rights over ordinary shares in the Company provided as remuneration of Key Management personnel are set out below. No Performance Rights have been granted to Non- Executive Directors:

	2025 Number	2025 $		2024 Number	2024 $
Clayton Astles	821,739	$79,438		677,486	$18,800
Brendan Maher	451,304	$41,819		411,429	$11,417
	1,273,043	**$121,257**		**1,088,914**	**$30,217**

The assessed fair value at issue date of the options granted to the executive are allocated equally over the period from issue date to vesting date and the amount is included in the remuneration tables above.

Shares issued on conversion of compensation performance rights

No performance rights converted to shares during the year ended 30 June 2025.

6. Equity holdings and transactions

Number of shares held by Directors and Key Management Personnel:

	Balance 1 July 2024	Received on Options Exercise	Other changes during the year	Balance 30 June 2025
Graeme Billings	530,776	-	-	530,776
Brett Burns	1,281,941	-	127,396	1,409,337
Clayton Astles	3,565,993	1,350,000	(928,746)	3,987,247
Anthony Glenning	1,058,870	-	-	1,058,870
Ann Larkins	-	-	-	-
Brendan Maher	2,907,787	1,000,000	(950,312)	2,957,475
	9,345,367	**2,350,000**	**(1,751,662)**	**9,943,705**

7. Other transactions with key management personnel

	2025 $'000	2024 $'000
Legal fees paid to CBW Partners, a firm controlled by Mr Brett Burns, for legal services rendered at rates equal to or less than usual commercial rates in respect of legal services provided.	106	179

Signed in accordance with a resolution of the Board of Directors made pursuant to section 298(2)(a) of the Corporations Act 2001.

Clayton Astles

Chief Executive Officer
Dated this 26th day of August 2025, Melbourne

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Notes	Group 2025 $'000	Group 2024 $'000
Revenue	2	81,405	58,153
Materials and direct labour		(39,035)	(27,481)
Gross Profit		**42,370**	**30,672**
Other income	3	**439**	**12**
Employee Benefits Expense	4	(21,329)	(16,200)
Motor Vehicle Expenses		(694)	(203)
Occupancy Expenses		(721)	(530)
Depreciation and Amortisation Expenses	4	(2,866)	(2,314)
Accounting, Audit, Legal and Advisor Fees		(1,458)	(1,457)
Allowance for expected credit loss		(60)	93
Finance Costs	4	(229)	(149)
Travel Expenses		(2,347)	(1,870)
Software subscriptions		(542)	(489)
Insurances		(468)	(431)
Other Expenses		(1,837)	(1,484)
Fair value remeasurement of contingent liability	28(c)(d)	(2,201)	-
Total Overhead Expenses		(34,752)	(25,034)
Profit Before Income Tax		**8,057**	5,650
Income Tax (Expense)/Credit	6	(2,124)	1,426
Net Profit after income tax		**5,933**	7,076
Other Comprehensive Income			
Items that may be reclassified subsequently to Profit or Loss			
Currency translation differences		681	(159)
Total Comprehensive Income for the Year		**6,614**	6,917
Net Profit after income tax attributable to:			
Members of Austco Healthcare Limited		**5,933**	7,076
Non-controlling interests		**-**	-
		5,933	7,076
Total Comprehensive Income attributable to:			
Members of Austco Healthcare Limited		**6,614**	6,917
Non-controlling interests		**-**	-
		6,614	6,917
Earnings per share		**Cents**	**Cents**
Basic per share	19	1.633	2.328
Diluted per share	19	1.602	2.293

Consolidated Statement of Financial Position

As at 30 June 2025

	Notes	Group 2025 $'000	2024 $'000
Current Assets			
Cash and cash equivalents	7	14,483	13,556
Trade and other receivables	8	21,706	13,128
Inventories	9	9,283	10,669
Other assets	10	6,080	3,214
Total Current Assets		**51,552**	**40,567**
Non-Current Assets			
Plant and equipment	11	3,950	1,834
Right-of-use assets	12	3,570	1,648
Deferred tax assets	6 (c)	3,846	3,905
Goodwill	13	21,353	14,488
Intangible assets	14	6,795	6,262
Total Non-Current Assets		**39,514**	**28,137**
Total Assets		**91,066**	**68,704**
Current Liabilities			
Trade and other payables	15	12,397	10,373
Contract liabilities	2 (c)	6,358	2,670
Short term borrowings		163	80
Other financial liabilities	28 (c)	9,388	967
Current tax liabilities		1,495	867
Lease liabilities	16	958	493
Provisions	17	2,391	1,609
Total Current Liabilities		**33,150**	**17,059**
Lease liabilities	16	2,759	1,205
Other financial liabilities	28 (a)	3,396	5,947
Provisions	17	34	115
Total Non-Current Liabilities		**6,189**	**7,267**
Total Liabilities		**39,339**	**24,326**
Net Assets		**51,727**	**44,378**
Equity			
Contributed Equity	18	54,890	54,465
Option and Rights Reserves	18(b)(c)	380	325
Foreign Exchange Reserve		895	214
Accumulated Losses		(4,438)	(10,626)
Equity attributable to:			
Members of Austco Healthcare Limited		51,727	44,378
Non-controlling interests		-	-
Total Equity		**51,727**	**44,378**

Consolidated Statement of Changes in Equity

for the year ended 30 June 2025

	Issued Capital $'000	Option & Rights Reserve $'000	Accumulated Losses $'000	Foreign Exchange Reserve $'000	Total Equity to members of Group $'000	Non-controlling interest $'000	Total Equity $'000
Balance at 1 July 2023	42,189	295	(17,858)	373	24,999	-	24,999
Profit after income tax expense for the year	-	-	7,076	-	7,076	-	7,076
Other comprehensive income for the year, net of tax	-	-	-	(159)	(159)	-	(159)
Total comprehensive income for the year	-	-	7,076	(159)	6,917	-	6,917
Transactions with owners in their capacity as equity holders:							
Issue of Shares (note 18)	12,276	-	-	-	12,276	-	12,276
Share based payments	-	186	-	-	186	-	186
Dividends paid	-	-	-	-	-	-	-
Transfer to Accumulated Losses	-	(156)	156	-	-	-	-
Balance at 30 June 2024	**54,465**	**325**	**(10,626)**	**214**	**44,378**	**-**	**44,378**
Balance at 1 July 2024	54,465	325	(10,626)	214	44,378	-	44,378
Profit after income tax expense for the year	-	-	5,933	-	5,933	-	5,933
Other comprehensive income for the year, net of tax	-	-	-	681	681	-	681
Total comprehensive income for the year	-	-	5,933	681	6,614	-	6,613
Transactions with owners in their capacity as equity holders:							
Issue of Shares (note 18)	425	-	-	-	425	-	425
Share based payments	-	310	-	-	310	-	310
Transfer to Accumulated Losses	-	(255)	255	-	-	-	-
Non-controlling interests on acquisition of subsidiary	-	-	-	-	(0)	(0)	(0)
Balance at 30 June 2025	**54,890**	**380**	**(4,438)**	**895**	**51,727**	**(0)**	**51,727**

Consolidated Statement of Cash Flows

for the year ended 30 June 2025

	Notes	Group 2025 $'000	2024 $'000
Cash Flows from Operating Activities			
Receipts from Customers (includes GST and VAT)		76,455	57,707
Payments to Suppliers and Employees (includes GST and VAT)		(62,432)	(37,404)
Grant Income received		75	14
Interest Received		321	52
Finance Costs Paid		(16)	(48)
Income Tax Paid		(986)	(263)
Net Cash From/(used) by Operating Activities	22(a)	**13,418**	**11,347**
Cash Flows from Investing Activities			
Payments for Acquisition of Property, Plant, Equipment	11	(2,761)	(1,629)
Payments for Acquisition of Intangible Assets	14	(1,977)	(2,272)
Proceeds from disposal of Property, Plant & Equipment		5	3
Payment of contingent consideration		(799)	-
Acquisition costs - expensed		(123)	(542)
Acquisitions net of cash acquired	28(b)	(6,666)	(6,625)
Net Cash From/(used) in Investing Activities		**(12,321)**	**(11,063)**
Cash Flows from Financing Activities			
Proceeds from Issue of Shares		425	9,576
Proceeds from borrowings		-	1,600
Repayment of borrowings		-	(1,609)
Payment of lease liabilities		(827)	(727)
Net Cash Provided/(used) by Financing Activities		**(402)**	**8,840**
Net Increase/(Decrease) in Cash and Cash Equivalents		**694**	**9,124**
Cash and Cash Equivalents at Beginning of the Year		13,556	4,673
Effects of exchange rate changes on cash		233	(241)
Cash and Cash Equivalents at End of the Year	7	**14,483**	**13,556**

GENERAL INFORMATION

The consolidated financial statements of Austco Healthcare Limited and controlled entities (collectively, the Group or the Company) were authorised for issue in accordance with a resolution of the directors on 26 August 2025. Austco Healthcare Limited is a for profit public Company listed on the ASX, incorporated and domiciled in Australia. The principal activities of the business are the manufacture, service, supply and distribution of Healthcare communications equipment and software.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES

Statement of Compliance

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board and the Corporations Act 2001 as is appropriate for profit oriented entities.

Australian Accounting Standards include Australian equivalents to International Financial Reporting Standards. Compliance with Australian Accounting Standards ensures the consolidated financial statements and notes comply with International Financial Reporting Standards.

New Accounting Standards adopted by the Group

There were no new accounting standards materially impacting the Group in the current reporting period.

Going Concern

These financial statements have been prepared on the basis that the Group is a going concern, which contemplates the continuity of its business, realisation of assets and settlement of liabilities in the normal course of business.

Basis of Preparation and Historical Cost Convention

The financial report has been prepared on an accruals basis and is based on historical costs and does not take into account changing money values. Cost is based on the fair values of the consideration given in exchange for assets. The financial report is presented in Australian dollars, unless otherwise noted.
The following is a summary of the material accounting policies adopted by the Group in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated:

(a) Critical accounting estimates and judgements

In the application of Australian Accounting Standards, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revisions affect both current and future periods.

Judgments made in the application of Australian Accounting Standards that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed where applicable in the relevant notes to the financial statements.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

INTANGIBLE ASSETS

The Group capitalises costs for product development projects.

Initial capitalisation of costs is based on management's analysis that technological and economic feasibility is confirmed once a product development project has reached defined milestones according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding the expected future cash generation of the project, product life cycle and expected period of benefits.

At 30 June 2025, the carrying amount of capitalised development costs was $6.795 million. (2024: $6.262 million). Refer to Note 14 for further information.

GOODWILL IMPAIRMENT

The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill has suffered any impairment, in accordance with the accounting policy stated in the notes to the accounts. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows.

The carrying amount of Goodwill at 30 June 2025 was $21.353 million (2024: $14.488 million). Refer to note 13 for further information.

ALLOWANCE FOR EXPECTED CREDIT LOSSES

The Group assesses expected credit loss regularly. The allowance for expected credit loss represents management's estimate of the Group's credit loss risk as at 30 June 2025 based on age of debt, past experience, current information at hand and management's assessment of forward-looking factors specific to the debtors and the economic environment and subsequent collectability. At 30 June 2025, the allowances for doubtful debts were $245,609. (2024: $173,873).

ALLOWANCE FOR WARRANTY PROVISION

The Group has a policy in relation to the return of products and claims for warranty purposes, which can be found here: http://www.austco.com/legal/. The Group has made an allowance for future warranty claims based on historical claims experience and management's estimate of the Group's potential claims as at 30 June 2025. At 30 June 2025, the allowance for warranty provision was $316,546 (2024: $278,366). Refer to Note 17 for further information.

SHARE BASED PAYMENTS

Share based payments are accounted for at fair value using the Black-Scholes model for options and a zero price performance options methodology for performance rights, see Note 20 for the underlying assumptions used and further discussion.

ESTIMATION OF USEFUL LIVES OF ASSETS

The Group determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

RECOGNITION OF DEFERRED TAX ASSET

The Group has carried forward tax credits available to offset future tax obligations in the tax jurisdiction of the United States of America. In the jurisdictions with carried forward credits where there is a track record of sustained taxable profits, and an outlook of expected future taxable profits, the Group recognises a Deferred Tax Asset. In the year to 30 June 2025 the Group recognised additional Deferred Tax Assets of $990,583 relating to US R&D credits (2024: $1,111,591).

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(b) Principles of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Austco Healthcare Limited ('Parent Entity') as at 30 June 2025 and the results of all subsidiaries for the year then ended. Austco Healthcare Limited and its subsidiaries together are referred to in these financial statements as the 'Company' or the 'Group'.

Subsidiaries are all those entities over which the Company has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been aligned where necessary to ensure consistency with the policies adopted by the Group.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Where the Group loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The Group recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

(c) Business combinations

Business combinations occur where an acquirer obtains control over one or more businesses and results in the consolidation of its assets and liabilities.

A business combination is accounted for by applying the acquisition method, unless it is a combination involving entities or businesses under common control. The acquisition method requires that for each business combination one of the combining entities must be identified as the acquirer (i.e. parent entity). The business combination will be accounted for as at the acquisition date, which is the date that control over the acquiree is obtained by the parent entity. At this date, the parent shall recognise, in the consolidated financial statements, and subject to certain limited exceptions, the fair value of the identifiable assets acquired, and liabilities assumed. In addition, contingent liabilities of the acquiree will be recognised where a present obligation has been incurred and its fair value can be reliably measured.

The acquisition may result in the recognition of goodwill or a gain from a bargain purchase. The method adopted for the measurement of goodwill will impact the measurement of any non-controlling interest to be recognised in the acquiree where less than 100% ownership interest is held in the acquiree. The acquisition date fair value of the consideration transferred for a business combination plus the acquisition date fair value of any previously held equity interest shall form the cost of the investment in the separate financial statements. Consideration may comprise the sum of the assets transferred by the acquirer, liabilities incurred by the acquirer to the former owners of the acquiree and the equity interests issued by the acquirer. Fair value adjustments in the value of pre-existing equity holdings are taken to profit or loss.

Included in the measurement of consideration transferred is any asset or liability resulting from a contingent consideration arrangement. Any obligation incurred relating to contingent consideration is classified as either a financial liability or equity instrument, depending upon the nature of the arrangement. Rights to refunds of consideration previously paid are recognised as a receivable.

Subsequent to initial recognition, contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Contingent consideration classified as an asset or a liability is remeasured each reporting period to fair value through the statement of profit or loss and other comprehensive income unless the change in value can be identified as existing at acquisition date.

All transaction costs incurred in relation to the business combination are expensed to the statement of profit or loss and other comprehensive income, except in separate financial statements where transaction costs should be capitalised.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(d) Income Tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

CURRENT TAX - Current tax is calculated by reference to the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for the period. It is calculated using tax rates and tax laws that have been enacted or substantively enacted by reporting date. Current tax for current and prior periods is recognised as a liability (or asset) to the extent that it is unpaid (or recoverable).

DEFERRED TAX - Deferred tax is accounted for using the comprehensive balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base of those items.

In principle, deferred tax assets and liabilities are recognised for temporary differences. Deferred tax assets are recognised to the extent that it is probable that sufficient taxable amounts will be available against which deductible temporary differences or unused tax losses and tax offsets can be utilised. However, deferred tax assets and liabilities are not recognised if the temporary differences giving rise to them arise from the initial recognition of assets and liabilities (other than as a result of a business combination) which affects neither taxable income nor accounting profit. Furthermore, a deferred tax liability is not recognised in relation to taxable temporary differences arising from goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries except where the consolidated entity is able to control the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with these investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at tax rates that are expected to apply to the period(s) when the asset and liability giving rise to them are realised or settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by reporting date. The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the consolidated entity expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the Group/consolidated entity intends to settle its current tax assets and liabilities on a net basis.

CURRENT AND DEFERRED TAX FOR THE PERIOD - Current and deferred tax is recognised as an expense or income in profit or loss, except when it relates to items credited or debited directly to equity, in which case the deferred tax is also recognised directly to equity, or where it arises from the initial accounting for a business combination, in which case it is taken into account in the determination of goodwill or bargain on acquisition.

TAX CONSOLIDATION REGIME

Austco Healthcare Limited and its wholly owned Australian subsidiaries (as indicated below) have formed an income tax consolidated group under the tax consolidation regime, a group allocation approach, under which the current and deferred tax amounts for the tax consolidated group are allocated among each entity in the group. Each entity in the group recognises its own current and deferred tax liabilities, except for any deferred tax resulting from unused tax losses and tax credits, which are immediately assumed by the parent entity. The current tax liability of each group entity is then subsequently assumed by the parent entity. The tax consolidated group has entered into tax funding and sharing agreements whereby each company in the group contributes to the income tax payable in proportion to their contribution to the net profit before tax of the tax consolidated group.

Austco Healthcare Limited has formed a tax consolidated group with all of its Australian incorporated subsidiaries as outlined in note 23. Austco Healthcare Limited's overseas subsidiaries are not part of its tax consolidated group as they have been incorporated overseas and are not Australian resident taxpayers.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(e) Financial Assets and Liabilities

(e) (i) Financial assets

Initial recognition and measurement

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

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under AASB 15. Refer to the accounting policies in note 1 (m) Revenue from contracts with customers.

Subsequent measurement

Financial assets at amortised cost (debt instruments)

This category is the most relevant to the Group. The Group measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes cash and cash equivalents and trade receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

***(e) (i) Financial assets* (continued)**

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(e) (ii) Financial liabilities

Financial liabilities are classified as amortised cost or financial liabilities at fair value through profit or loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

The Group has not designated any financial liability as at fair value through profit or loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Financial liabilities at amortised cost

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to interest-bearing loans and borrowings. For more information, refer to Note 15.

(f) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned on a first-in first-out basis and include direct materials, freight and labour.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(g) Leases – Right-of-use assets and Lease Liabilities

Right-of-use assets

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

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

Lease liabilities

A lease liability is recognised at the commencement date of a lease. The lease liability is initially recognised at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. Variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred. Lease liabilities are measured at amortised cost using the effective interest method.

The carrying amounts of lease liabilities are remeasured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee amount; lease term; assessment to purchase the underlying asset and termination penalties. When a lease liability is remeasured, an adjustment is made to the corresponding right-of use asset, or to profit or loss if the carrying amount of the right-of-use asset is fully written down.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (i.e. below $5,000). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases, to lease the assets for additional terms of two to three years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g. a change in business strategy).

The Group has not included the renewal period as part of the lease term for leases of rented properties due to the expected availability of replacement right-of-use assets in the future at competitive rates. The non-discounted future cash outflows relating to options to renew for extended lease terms the Group is potentially exposed to that are not reflected in the measurement of lease liabilities is estimated to be $6,941,419.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(h) Property, Plant and Equipment

Each class of property, plant and equipment is carried at cost less any accumulated depreciation and impairment, if any.

DEPRECIATION

The depreciable amount of all fixed assets including capitalised leased assets are depreciated on a straight line basis over their useful lives to the Group commencing from the time the asset is held ready for use. Leasehold Improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable asset are:

Class of Fixed Asset	Depreciation Rate
Leasehold Improvements	20.00% - 50.00%
Plant and Equipment	12.50% - 50.00%
Motor Vehicles	18.75% - 22.50%
Furniture and Fittings	7.50% - 30.00%
Office Equipment	7.50% - 50.00%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. At the current and prior financial year there has been no material change. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with the carrying amount. These gains and losses are included in the profit and loss.

(i) Intangibles

RESEARCH AND DEVELOPMENT COSTS

Where the criteria to capitalise costs in relation to internally generated intangible assets is not met, expenditure on research activities is recognised as an expense in the period in which it is incurred.

An intangible asset arising from development expenditure is recognised if, and only if all of the following are demonstrated:

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

Development costs have a finite life and are amortised on a systematic basis matched to the future economic benefits over the useful life of the project. The life of an average project is estimated between 6 and 8 years.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(j) Foreign Currency Transactions and Balances

FOREIGN CURRENCY

The individual financial statements of each entity are presented in its functional currency being the currency of the primary economic environment in which the entity operates. For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Australian dollars, which is the functional currency of Austco Healthcare Limited and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

FOREIGN OPERATIONS

On consolidation, the assets and liabilities of the Group's overseas operations are translated at exchange rates prevailing at the reporting date. Income and expense items are translated at the average monthly exchange rates. Exchange differences arising on translation of foreign operations are recognised in the foreign exchange reserve in the statement of financial position. These differences are recognised in the statement of profit or loss on disposal of the foreign operation.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(k) Employee Benefits

Short term employee benefits

Liabilities for wages and salaries, including non monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long term employee benefits

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

Share based payments

Share based compensation benefits are provided to employees.

Equity settled transactions are awards of shares, or options (including zero priced performance rights) over shares that are provided to employees in exchange for the rendering of services.

The cost of equity settled transactions is measured at fair value on grant date. Fair value is determined using the Black-Scholes option pricing model for options and using a zero price performance options methodology for performance rights. That takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option, together with non vesting conditions that do not determine whether the consolidated entity receives the services that entitle the employees to receive payment. No account is taken of any other vesting conditions.

The cost of equity settled transactions is recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Market conditions are taken into consideration in determining fair value. Therefore, any awards subject to market conditions are considered to vest irrespective of whether or not that market condition has been met, provided all other conditions are satisfied.

If the non vesting condition is within the control of the consolidated entity or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the consolidated entity or employee and is not satisfied during the vesting period, any remaining expense for the award is recognised over the remaining vesting period, unless the award is forfeited.

If equity settled awards are cancelled, it is treated as if it has vested on the date of cancellation, and any remaining expense is recognised immediately. If a new replacement award is substituted for the cancelled award, the cancelled and new award are treated as if they were a modification.

If equity awards are made subject to future shareholder approval, fair value is estimated at the time of the award and remeasured upon shareholder approval.

(l) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, balances with banks and investments in money market instruments.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(m) Revenue

Revenue from customers is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Revenue from the sale of equipment is recognised at the point in time when control of the asset is transferred to the customer.

The Group offers warranties for its nurse call products ranging from one year to five years, and estimates a related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past cost information may differ from future claims. The assumptions made in relation to the current period are consistent with those in the prior year. Factors that could impact the estimated claim information include the success of the group's productivity and quality initiatives, as well as parts and labour costs. As at 30 June 2025, this particular provision had a carrying amount of $316,546 (2024: $278,366). If claims costs were to differ by 10% from management's estimates, the warranty provisions would be an estimated $31,655 higher or lower (2024 – $27,837 higher/lower).

Revenue from the rendering of a service, primarily the installation of the nurse call, access control or security systems is recognised over the time upon which the performance obligation to the customer is satisfied.

Revenue from software contracts or service and maintenance agreements (SMAs). Revenue for software sold with a perpetual right is recognised in full on the sale of the software as no future performance obligations are required. Revenue for SMAs and Software sold as a licence over a finite time period are recognised proportionally over that period as the customer simultaneously receives and consumes the benefits provided by the Group. Note 2(d) includes deferred revenue (Contract Liabilities) relating to these SMAs and finite time period Software sales.

(n) Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

(o) Impairment of Assets

At each reporting date, the Group reviews the carrying amounts of its Goodwill, fixed and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of an asset's fair value less costs to sell and value-in-use. The value-in-use is the present value of the estimated future cashflows relating to the asset using a pre-tax discount rate specific to the asset or cash generating unit to which the asset belongs. Assets that do not have independent cashflows are grouped together to form a cash generating unit.

(p) Share Based Payment Arrangements

Goods or services received or acquired in a share based payment transaction are recognised as an increase in equity if the goods or services were received in an equity settled share based payment transaction or as a liability if the goods and services were acquired in a cash settled share based payment transaction.

For equity settled share based payments, goods or services received are measured directly at fair value of the goods and services received, provided this can be estimated reliably. If a reliable estimate cannot be made, the value of the goods or services is determined indirectly by reference to the fair value of the equity instrument granted.

NOTE 1: STATEMENT OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

(q) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to prepare for their intended use or sale are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the profit or loss in the period in which they are incurred.

(r) Dividends

A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the reporting date.

(s) Earnings per share (EPS)

BASIC EARNINGS PER SHARE

Basic EPS is calculated by dividing the profit attributable to the members of Austco Healthcare Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

DILUTED EARNINGS PER SHARE

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(t) Rounding Amounts

The parent entity has applied the relief available to it under ASIC Legislative Investment 2016/191 and accordingly, amounts within this financial report have been rounded off to the nearest $1,000, unless otherwise stated.

(u) New and Revised Accounting Standards Not Yet Effective

At the date of authorisation of these financial statements, several new, but not effective Standards and amendments to existing Standards, and Interpretations have been published by the AASB. None of these Standards or amendments to existing Standards have been adopted early by the Group.

Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

NOTE 2: REVENUE

(a) Revenue from customers

		2025	2024
Continuing Operations		**$'000**	**$'000**
Revenue from contracts with customers	2 (b)	81,405	58,153
Total Revenue		**81,405**	**58,153**

(b) Revenue from contracts with customers

Revenue from Contracts with Customers, 12 months to June 2025	**Equipment**	**Installation**	**Software/SMA**	**Total**
Type of Good or Service	**$000**	**$000**	**$000**	**$000**
Sale of equipment	46,274	-	-	46,274
Installation services	-	25,570	-	25,570
Software & Maint. Agreements	-	-	9,561	9,561
Total	**46,274**	**25,570**	**9,561**	**81,405**
Geographical Markets				
Australia/New Zealand	21,325	13,974	2,923	38,222
North America	15,390	7,473	4,495	27,358
Europe	2,626	1,746	617	4,989
Asia	6,933	2,377	1,526	10,836
Total	**46,274**	**25,570**	**9,561**	**81,405**
Timing of revenue recognition				
Goods transferred at a point in time	46,274	-	4,371	50,645
Services transferred over time	-	25,570	5,190	30,760
Total	**46,274**	**25,570**	**9,561**	**81,405**

NOTE 2: REVENUE (continued)

Revenue from Contracts with Customers, 12 months to June 2024	Equipment	Installation	Software/SMA	Total
Type of Good or Service	**$000**	**$000**	**$000**	**$000**
Sale of equipment	38,060	-	-	38,060
Installation services	-	10,792	-	10,792
Software & Maint. Agreements	-	-	9,301	9,301
Total	**38,060**	**10,792**	**9,301**	**58,153**
Geographical Markets				
Australia/New Zealand	15,288	2,956	2,349	20,593
North America	16,391	5,068	4,592	26,051
Europe	2,017	1,222	495	3,734
Asia	4,364	1,546	1,865	7,775
Total	**38,060**	**10,792**	**9,301**	**58,153**
Timing of revenue recognition				
Goods transferred at a point in time	38,060	-	4,183	42,243
Services transferred over time	-	10,792	5,118	15,910
Total	**38,060**	**10,792**	**9,301**	**58,153**

(c) Assets and liabilities related to contracts with customers

	2025	2024
	$'000	**$'000**
Current contract assets relating to installation contracts	29	156
Total Contract Asset	**29**	**156**
Contract liabilities – unearned revenue	6,358	2,670
Total Contract Liabilities	**6,358**	**2,670**

(d) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year:

	2025	2024
	$'000	**$'000**
Amounts included in contract liabilities at the beginning of the year or partially satisfied in previous year	4,412	2,335

NOTE 3: OTHER INCOME

	2025 $'000	2024 $'000
Other income		
- Interest Received	324	63
- Grant Income (refunded)	75	14
- Foreign Exchange Gain/(loss)	40	(65)
Total Other Income	**439**	**12**

NOTE 4: EXPENSES FOR THE YEAR

	2025 $'000	2024 $'000
Finance Costs		
- interest expense on financing activities	16	48
- interest expense on lease liabilities	213	101
Total Finance Costs	**229**	**149**
Depreciation and Amortisation of Non Current Assets		
- depreciation of plant and equipment	505	268
- depreciation of right-of-use assets	751	549
- amortisation of website development	7	-
- amortisation of development costs	1,603	1,462
- amortisation of borrowing costs	-	35
Total Depreciation and Amortisation	**2,866**	**2,314**
- (Gain) / Loss on Disposal	-	7
	2,866	**2,321**
Foreign currency translation gain/(loss)	40	(64)
Occupancy Expenses on Operating Leases		
- variable lease payments *(body corp etc)*	641	462
- minimum lease payments	80	68
Employee Expenses		
Direct Labour Wages (included in Cost of Sales)	4,948	761
Other employees' wages and benefits expense	20,029	15,325
Superannuation contributions	990	689
Share based payment	310	186
Total Employee Expenses excluding direct labour	**21,329**	**16,200**
Research and development expenditure before Capitalisation	4,788	4,511
Capitalisation of development costs	(1,977)	(2,272)
Net research and development expense	2,810	2,239
Increase in warranty provision	92	155
Increase (decrease) in inventory provision	(206)	76
Increase (decrease) in expected credit loss provision	60	(93)

NOTE 5: SEGMENT REPORTING

Management has determined the operating segments based upon reports reviewed by the Board and executive management that are used to make operational and strategic decisions. The Group focuses on providing electronic communications in healthcare and the development of nurse call and care management systems for hospitals and the aged care market. The Group is segmented into four geographic regions consisting of Australia/New Zealand, Asia, Europe and North America.

Basis of accounting for purposes of reporting by operating segments

(a) Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors, being the chief operating decision makers with respect to operating segments, are determined in accordance with accounting policies that are consistent with those adopted in previous years.

(b) Intersegment transactions

An internally determined transfer price is set for all intersegment sales. This price is reset quarterly and is based on what would be realised in the event the sale was made to an external party at arm's length. All such transactions are eliminated on consolidation of the Group's financial statements. Corporate charges are allocated to reporting segments based on the segments' overall proportion of revenue generation within the Group. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries. Intersegment loans payable and receivable are initially recognised at the consideration received/to be received net of transaction costs. If intersegment loans and accounts receivable and payable are not on commercial terms, these are not adjusted to fair value based on market interest rates. This policy represents a departure from that applied to the statutory financial statements.

(c) Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of the economic value from the asset. In most instances, segment assets are clearly identifiable on the basis of their nature and physical location.

(d) Segment liabilities

Liabilities are allocated to segments where there is a direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

(e) Unallocated items

The following items are not allocated to operating segments as they are not considered part of the core operations of any segment:

- Impairment of assets and other non recurring items of revenue or expense;
- Income tax expense, Current tax liabilities, and Deferred tax assets and liabilities;
- Other financial liabilities, Intangible assets and Discontinued operations.

Results of Segments

Segment revenues and expenses are those directly attributable to the segments and include revenue and expenses where a reasonable basis of allocation exists. The Board assesses the performance of the operating segments based on a measure of adjusted EBITDA. This measurement basis excludes the effects of expenses from the operating segments, such as depreciation, amortisation, net interest and impairment to non current assets, which are disclosed separately.

NOTE 5: SEGMENT REPORTING (CONTINUED)

Inter-segment pricing

Segment revenues, expenses and results include transfers between segments. The prices charged on inter-segment transactions are the same as those charged for similar goods to parties outside of the Group. These transfers are eliminated on consolidation.

Revenue earned from external customers in Australia (the Group's country of domicile) for the year ended 30 June 2025 is $31,595k (2024: $14,130k).

						Eliminations		
	Aust & NZ $'000	Asia $'000	Europe $'000	North America $'000	Total $'000	Inter Company $'000	Corporate $'000	Company Total $'000
				2025				
Revenue – external	38,222	10,836	4,989	27,358	81,405	-	-	81,405
Revenue – intersegment	1,193	-	-	13,970	15,163	(15,163)	-	-
Total Revenue	39,415	10,836	4,989	41,328	96,568	(15,163)	-	81,405
EBITDA	7,902	2,937	1,298	3,819	15,956	(1,901)	(1,026)	13,029
Depreciation	(787)	(116)	(66)	(294)	(1,263)	-	-	(1,263)
Amortisation	(75)	-	-	(1,528)	(1,603)	-	-	(1,603)
EBIT	7,040	2,821	1,232	1,997	13,090	(1,901)	(1,026)	10,163
Consideration adjustment	(2,201)	-	-	-	(2,201)	-	-	(2,201)
Net Interest	302	1	(10)	(221)	73	22	-	95
Income Tax	(1,908)	(215)	(187)	186	(2,124)	-	-	(2,124)
Net Profit After Tax	3,233	2,607	1,035	1,962	8,837	(1,879)	(1,026)	5,933
				2024				
Revenue – external	20,593	7,775	3,734	26,051	58,153	-	-	58,153
Revenue – intersegment	319	-	-	12,621	12,940	(12,940)	-	-
Total Revenue	20,912	7,775	3,734	38,672	71,093	(12,940)	-	58,153
EBITDA	3,528	1,446	308	4,211	9,493	(721)	(722)	8,050
Depreciation	(283)	(112)	(61)	(396)	(852)	-	-	(852)
Amortisation	(73)	-	-	(1,389)	(1,462)	-	-	(1,462)
EBIT	3,172	1,334	247	2,426	7,179	(721)	(722)	5,736
Net Interest	0	(10)	(8)	(74)	(92)	6	-	(86)
Income Tax	603	(44)	(3)	870	1,426	-	-	1,426
Net Profit After Tax	3,775	1,280	236	3,222	8,513	(715)	(722)	7,076
Segment Assets								
30/06/2024	68,215	3,664	1,620	33,746	107,245	(61,345)	22,804	68,704
30/06/2025	92,603	4,095	2,380	38,817	137,895	(70,960)	23,116	90,051
Segment Liabilities								
30/06/2024	35,631	1,878	641	35,683	73,833	(49,543)	37	24,327
30/06/2025	51,288	2,035	1,157	38,969	93,449	(54,053)	(57)	39,339

NOTE 6: INCOME TAX EXPENSE

	2025 $'000	2024 $'000
(a) Income Tax Recognised in Profit or Loss		
Current tax expense	2,932	901
Deferred tax benefit	(973)	(2,335)
Prior year under / over	165	8
Total Income Tax Expense / (Credit)	**2,124**	**(1,426)**

The prima facie income tax expense on pre-tax accounting profit for the continuing operations reconciles to the income tax expense in the financial statements as follows:

	2025 $'000	2024 $'000
Profit from continuing operations	8,058	5,650
Income tax expense calculated at 30% (2024: 25%)	2,417	1,413
Non-deductible expenses	897	90
Non-assessable income	-	(8)
Other	276	(62)
Effect of different tax rates of subsidiaries operating in other jurisdictions	(364)	(70)
Utilisation of prior year losses and R&D offsets previously not recognised	(174)	(781)
Impact of change in corporate tax rate	63	-
Origination and reversal of other timing differences	-	(896)
	3,115	(314)
Less : Recognition of DTA on carried forward losses	991	1,112
Total Income Tax Expense / (Credit)	**2,124**	**(1,426)**

The tax rate used in the above reconciliation is the corporate tax rate of 30% (2024: 25%) payable by the Company on taxable profits under Australian tax law. Overseas jurisdictions have differing corporate tax rates.

(b) Group Tax Carry Forward Losses and Tax Credit Offsets

The following summarises the Group's carry forward tax losses and tax credit offsets, all of which have been recognised as an Asset:

As at 30 June 2025

Region	Deferred Tax Asset Recognised for Tax Offset Credits $'000	Deferred Tax Asset Recognised for Gross Carry Forward Tax Losses $'000	Gross Unrecognised Carry Forward Tax Losses $'000	Unrecognised Deferred Tax Asset for Tax Offset Credits $'000
Australia	-	-	-	-
Canada	-	-	-	-
New Zealand	-	-	-	-
Singapore	-	-	-	-
UK	-	-	-	-
US	991	-	-	-
TOTAL	**991**	**-**	**-**	**-**

NOTE 6: INCOME TAX EXPENSE (CONTINUED)

	2025 $'000	2024 $'000
(c) Deferred Tax Balances		
Deferred tax assets comprise temporary differences arising from the following:		
Provisions	361	302
Leases	39	10
Accruals	300	205
Other future deductions	202	224
Deferred revenue	268	233
Capitalised R&D assets	1,718	1,375
Carried forward Tax Losses	-	134
Non refundable tax offsets	991	1,437
	3,879	**3,920**
Deferred tax liabilities comprise temporary differences arising from the following:		
Other	(33)	(15)
Net deferred tax asset	**3,846**	**3,905**

NOTE 7: CASH AND CASH EQUIVALENTS

	2025 $'000	2024 $'000
Current		
Cash at bank and in hand	14,483	13,556
	14,483	**13,556**

NOTE 8: TRADE AND OTHER RECEIVABLES

	2025 $'000	2024 $'000
Current		
Trade receivables	21,820	13,160
Other receivables	132	142
Less: Allowance for expected credit losses	(246)	(174)
	21,706	**13,128**

Receivables past due but not impaired

The consolidated entity did not consider a significant credit risk on the aggregate balances after reviewing credit terms of customers based on recent collections practices.

The ageing analysis of trade receivables is as follows:

	As at 30 June 2025		
Group	**Gross $'000**	**Expected Credit Loss $'000**	**Net Receivables $'000**
0 - 30 days	17,313	-	17,313
30 - 60 days	1,296	-	1,296
60 - 90 days	1,049	-	1,049
Over 90 days	2,162	(246)	1,916
Closing Balance	**21,820**	**(246)**	**21,574**

	As at 30 June 2024		
Group	**Gross $'000**	**Allowance $'000**	**Net Receivables $'000**
0 - 30 days	11,225	-	11,225
30 - 60 days	785	-	785
60 - 90 days	429	-	429
Over 90 days	721	(174)	547
Closing Balance	**13,160**	**(174)**	**12,986**

Allowance for Expected Credit Losses

	2025 $'000	2024 $'000
Opening balance	174	52
Foreign exchange impact	-	1
Additional provision	410	172
Write off	(16)	(7)
Amounts recovered	(322)	(44)
Closing Balance	**246**	**174**

The Group assesses outstanding receivables in each region on a monthly basis for expected credit losses based on management's estimate of the Group's credit loss risk based on age of debt, past experience, current information at hand, adjusted for forward-looking factors specific to the debtors and the economic environment. Specific allowances are created when outstanding receivables are credit impaired.

NOTE 9: INVENTORIES

	2025 $'000	2024 $'000
Current		
Finished goods on hand - at cost	8,217	8,796
Finished goods provision	(612)	(611)
Finished goods on hand at recoverable amount	7,605	8,185
Raw materials on hand – at cost	1,804	2,817
Raw materials provision	(129)	(337)
Raw materials on hand at recoverable amount	1,675	2,480
Work in progress	3	4
Total Inventory carrying amount at end of year	**9,283**	**10,669**

The amount of inventories recognised as an expense during the period is $21.95m (2024: $14.93m).

The Group reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items. An inventory item or product line is deemed obsolete if there have been no external sales of that product or item in any region for a period of 24 months prior to the balance date. In this situation, all of the inventory for that product or part code will be provided for as obsolete inventory.

NOTE 10: OTHER ASSETS

		2025 $'000	2024 $'000
Current			
Prepayments		1,897	1,286
Contract retentions		2,660	1,239
Contract assets	2 (c)	29	156
Sublease receivable		-	7
Other		1,494	526
		6,080	**3,214**

NOTE 11: PROPERTY, PLANT AND EQUIPMENT

	Leasehold Improvements	Plant and Equipment	Motor Vehicles	Furniture and Fittings	Office Equipment	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Cost at 1 July 2024	145	622	1,246	178	1,128	3,319
Foreign Exchange Difference	9	11	3	2	27	52
Additions	-	161	269	214	172	816
Acquired by Business Combination	-	165	1,608	-	89	1,862
Disposals	-	(57)	(82)	(6)	(79)	(224)
Cost at 30 June 2025	**154**	**902**	**3,044**	**388**	**1,337**	**5,825**
Accumulated Depreciation at 1 July 2024	134	382	108	94	767	1,485
Foreign Exchange Difference	7	9	1	2	25	44
Depreciation	13	105	210	28	149	505
Disposals	-	(22)	(60)	(4)	(73)	(159)
Accumulated Depreciation at 30 June 2025	**154**	**474**	**259**	**120**	**866**	**1,875**
Net Book Value at 30 June 2024	**11**	**240**	**1,138**	**84**	**361**	**1,834**
Net Book Value at 30 June 2025	**-**	**428**	**2,785**	**268**	**469**	**3,950**

NOTE 12: RIGHT OF USE ASSETS

Set out below, are the carrying amounts of the Group's right-of-use assets and the movements during the period:

	Properties	Motor Vehicles	Other equipment	Total
	$'000	$'000	$'000	$'000
As at 1 July 2023	341	5	20	366
Additions	1,816	-	11	1,827
Derecognition	-	-	-	-
Depreciation expense	(538)	(4)	(7)	(549)
Foreign Exchange	6	-	(2)	4
As at 30 June 2024	**1,625**	**1**	**22**	**1,648**
As at 1 July 2024	1,625	1	22	1,648
Additions	3,174	9	-	3,183
Derecognition	(438)	-	-	(438)
Depreciation expense	(735)	(8)	(7)	(750)
Foreign Exchange	(73)	(1)	1	(73)
As at 30 June 2025	**3,553**	**1**	**16**	**3,570**

NOTE 13: GOODWILL

	2025	**2024**
	$'000	**$'000**
Cost	14,488	14,488
Accumulated impairment losses	-	-
Total Goodwill	**14,488**	**14,488**

Movement in Carrying Amounts

Balance at beginning	14,488	-
Additions through business combinations	6,865	14,488
Foreign exchange variation	-	-
Balance at end of financial year	**21,353**	**14,488**

The provisional accounting for the Teknocorp and Amentco business combination accounting was finalised with no changes to Goodwill.

Allocation of goodwill to cash-generating units and key assumptions

Goodwill acquired during the previous period has been allocated for impairment testing over the Teknocorp and Amentco separate cash generating units, and goodwill acquired in the current period has been allocated to the G&S cash generating unit.

The recoverable amount for allcash generating units has been determined based on a value in use calculation, which uses cash flow projections based on a financial Budget approved by the board, extrapolated over a further four year period. A pre-tax cashflow effect has been taken using a pre-tax discount rate of 14.33%. The cashflows have been extrapolated using a sales growth rate of 10%, cost of sales growth rate of 7.5% and indirect costs growth rate of 3.5%. A terminal value assuming a 2.5% growth rate has also been used.

Using the above assumptions, no impairment is indicated.

NOTE 14: INTANGIBLE ASSETS

	2025 $'000	2024 $'000
Product development	15,226	13,135
Less: accumulated amortisation	(8,507)	(6,873)
Website development	83	-
Less: accumulated amortisation	(7)	-
Total Intangibles	**6,795**	**6,262**
Movement in Carrying Amounts		
Balance at beginning	6,262	5,455
Additions	1,977	2,272
Acquired by Business Combinations	83	-
Foreign exchange variation	83	(3)
Amortisation	(1,610)	(1,462)
Balance at end	**6,795**	**6,262**

NOTE 15: TRADE AND OTHER PAYABLES

	2025	2024
Current	**$'000**	**$'000**
Trade and other payables	10,969	9,324
Indirect taxes payable	1,428	1,049
	12,397	**10,373**

Due to their short-term nature, trade payables are measured at amortised cost and are not discounted.

NOTE 16: LEASE LIABILITIES

Set out below, are the carrying amounts of the Group's lease liabilities and the movements during the period:

	2025 $'000	2024 $'000
Balance at beginning	1,698	500
Additions	3,183	1,827
Derecognition	(579)	-
Interest expense	213	101
Payments	(827)	(727)
Foreign Exchange	29	(3)
Balance at end	**3,717**	**1,698**
Represented by:		
Current Lease Liabilities	958	493
Non-Current Lease Liabilities	2,759	1,205

NOTE 17: PROVISIONS

	2025 $'000	2024 $'000
Current		
Employee Entitlements	2,029	1,289
Make Good on Premises Leases	46	42
Warranty Allowance (note 1(m))	317	278
	2,391	**1,609**
Non current		
Employee entitlements	34	115
	34	**115**

(a) Movement in Current Provisions

2025	Employee Entitlements $'000	Make Good $'000	Warranty Allowance $'000	Total $'000
Carrying amount at 1 July 2024	1,289	42	278	1,609
Additional provisions	1,048	-	92	1,140
Amounts incurred and or charged against provision	(319)	-	(57)	(376)
Foreign Exchange	11	4	3	18
Carrying amount at 30 June 2025	**2,029**	**46**	**316**	**2,391**

(b) Movement in Non Current Provisions

2025	Employee Entitlements $'000	Total $'000
Carrying amount at 1 July 2024	**115**	**115**
Additional provisions	21	21
Amounts incurred and or charged against provision	(102)	(102)
Carrying amount at 30 June 2025	**34**	**34**

NOTE 18: ISSUED CAPITAL AND OPTION RESERVE

	Note	2025 $'000	2024 $'000
Ordinary shares fully paid	18 (a)	54,890	54,465
		54,890	**54,465**

(a) Movement in Ordinary Shares on Issue

	2025		
	No. of shares	**Price**	**$'000**
At the beginning of the reporting period:	360,768,363		54,465
Exercise of Options into Shares	3,292,500	$0.130	428
Transaction costs	-		(3)
At Reporting Date	**364,060,863**		**54,890**

	2024		
	No. of shares	**Price**	**$'000**
At the beginning of the reporting period:	290,790,167		42,189
Acquisition consideration	3,888,889	$0.180	700
Exercise of Options into Shares	3,295,465	$0.130	428
Acquisition consideration	10,256,410	$0.195	2,000
Placement Issue of Shares	37,297,297	$0.185	6,900
Entitlement Offer Issue of Shares	15,240,135	$0.185	2,819
Transaction costs	-		(571)
At Reporting Date	**360,768,363**		**54,465**

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

(b) Movement in Options on Issue and Option Reserve

	2025		2024	
	No. of options	**$'000**	**No. of options**	**$'000**
At the beginning of the reporting period:	7,205,500	234	10,696,187	295
Options exercised during the year	(3,292,500)	-	(3,295,465)	-
Options forfeited during the year	-	-	-	-
Options lapsed during the year	(272,000)	-	(195,222)	-
Transfer to accumulated losses	-	(255)	-	(156)
Share based payment expense	-	21	-	95
At Reporting Date	**3,641,000**	**-**	**7,205,500**	**234**

Nature and Purpose of Reserve
The Share Option Reserve contains amounts received on the issue of options over unissued capital of the Company, or the value of options attributable to share based payments.

NOTE 18: ISSUED CAPITAL AND OPTION RESERVE (CONTINUED)

(c) Movement in Performance Rights on Issue and Performance Rights Reserve

	2025		2024	
	No. of rights	$'000	No. of rights	$'000
At the beginning of the reporting period:	3,262,730	91	-	-
Rights granted during the year	3,086,818	-	3,512,330	-
Rights exercised during the year	-	-	-	-
Rights forfeited during the year	(548,905)	-	(249,600)	-
Share based payment expense	-	289	-	91
At Reporting Date	**5,800,643**	**380**	**3,262,730**	**91**

Nature and Purpose of Reserve
The Performance Rights Reserve contains amounts received on the issue of performance rights over unissued capital of the Company, or the value of performance rights attributable to share based payments.

(c) Employee Share Scheme

For information relating to the Austco Healthcare Limited Employee Share Scheme, including details of shares issued during the financial year, refer to Note 20.

(d) Capital Management

Management controls the capital of the Group to provide the shareholders with adequate returns and ensure that the Group can fund its operations and continue as a going concern. The Group’s debt and capital includes ordinary share capital and financial liabilities, supported by financial assets.
Management effectively manages the Group's capital by assessing the Group's financial risks and adjusting its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders and share issues.

	2025	2024
	$'000	$'000
Total borrowings	163	80
Less cash and cash equivalents	(14,483)	(13,556)
Net (Cash)/Debt	**(14,320)**	**(13,476)**
Total equity	51,727	44,378
Total capital	37,407	30,902

(e) Foreign Currency Reserve

The Foreign Currency Reserve is used to recognise exchange differences arising from translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

NOTE 19: EARNINGS PER SHARE

	2025	2024
	$'000	$'000
Overall operations		
Profit/(Loss) for the year attributable to members of Austco Healthcare Limited	5,933	7,076
	No.	**No.**
(b) Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	363,393,342	303,911,066
Effect of dilutive share options	7,070,759	4,633,692
Weighted average number of ordinary shares outstanding during the year used in calculation of dilutive earnings per share	370,464,102	308,544,758
Overall Earnings per share		
Basic earnings per share (cents per share)	1.633	2.328
Diluted earnings per share (cents per share)	1.602	2.293

NOTE 20: SHARE BASED PAYMENTS

The Company established an Employee Share Scheme as a means to reward employees for their contribution to the Group. Options were issued to staff until September 2021. All employee options are unlisted and non-transferable. Options are granted pursuant to the Company's employee share incentive plan with the conversion price set at a premium to the share price at grant date. Options have a vesting period ranging between two and three years, with continuity of employment a condition up to vesting date.

From September 2023, the Company commenced issuing performance rights. All employee performance rights are unlisted and non-transferable. Performance Rights are granted pursuant to the Company's employee share incentive plan with a nil conversion price to shares. Performance Rights have performance criteria which determine the number of rights that convert into shares. Performance Rights have a vesting and performance period of three years, with continuity of employment a condition up to vesting date.

Options granted to September 2021

The Black-Scholes valuation model inputs used to determine fair value at grant date of options are as follows:

Series name	Grant Date	Expiry date	Share price at grant date	Exercise price	Expected volatility	Dividend yield	Risk free interest rate	Fair value at grant date
Series 6	28 Sep 2021	24 Sep 2025	$0.145	$0.215	96%	Nil	0.52%	$0.07

The expected volatility assumptions used were based on historical volatility.

All options granted to employees (including Key Management Personnel) are over ordinary shares in Austco Healthcare Limited and confer a right to one ordinary share for every option held. A summary of the Options Issued outstanding at 30 June 2025 is:

Options Issued	Grant date	Expiry date	Exercise price	#
Series 6	28 September 2021	24 September 2025	$0.215	3,641,000
			Total	**3,641,000**

Vesting conditions for the options are the following:

Series	Vesting Conditions	Probability of vesting 2025	Probability of vesting 2024
6	• 3 years from the grant date; and • Conditional on remaining employed by the Group	100%	100%

Performance rights granted from September 2023

The performance rights were valued using a zero price performance options methodology and are subject to the employees meeting performance criteria and continuity of service conditions. The model inputs for performance rights granted during the year ended 30 June 2025 to determine fair value at grant date are as follows:

Series name	Grant Date	Expiry date	Share price at grant date	Exercise price	Dividend yield	Risk free interest rate	Fair value at grant date
2026	1 Oct 2024	30 Nov 2027	$0.255	$0.00	1.1%	7.9%	$0.239

NOTE 20: SHARE BASED PAYMENTS (continued)

All performance rights granted to employees (including Key Management Personnel) are over ordinary shares in Austco Healthcare Limited and confer a right to one ordinary share for every performance right held. A summary of the performance rights issued and still outstanding at 30 June 2025 is:

Rights Issued	Grant date	Expiry date	Exercise price	#
2026	27 September 2023	30 September 2026	$0.00	2,913,826
2027	1 October 2024	30 November 2027	$0.00	2,886,817
			Total	**5,800,643**

Vesting conditions for the performance rights are the following:

	EPS Growth Targets (60% of award)		**Indexed TSR (iTSR) (40% of award)**	
	CAGR in EPS (3 years)	Percent of Award	Company's TSR Compared to Movement in an Index	Percent of Award
Minimum	5%	25%	= Index Movement	25%
Target	8%	50%	Index Movement +5%	50%
Stretch	>12%	100%	Index Movement +10%	100%

Series	Additional Vesting Conditions	Probability of vesting 2025	Probability of vesting 2024
2026	• 3 years from the grant date; • the Indexed TSR benchmark is the S&P ASX small industrials index; and • Conditional on remaining employed by the Group	100%	60%
2027	• 3 years from the grant date; • the Indexed TSR benchmark is the S&P ASX small industrials index; and • Conditional on remaining employed by the Group	40%	-

	Note	2025 Number of Options	2025 Weighted Average Exercise Price $	2024 Number of Options	2024 Weighted Average Exercise Price $
Outstanding at the beginning of the year		7,205,500	0.173	10,696,187	0.159
Exercised	17	(3,292,500)	0.130	(3,295,465)	0.130
Granted	17	-	-	-	-
Lapsed	17	(272,000)	0.130	(195,222)	0.130
Forfeited	17	-	-	-	-
Outstanding at year end		3,641,000	0.130	7,205,500	0.173
Exercisable at year end		3,641,000	0.130	3,564,500	0.130

The options outstanding at 30 June 2025 have a weighted average exercise price of 13.0 cents, have all vested and expire by 24 September 2025.

NOTE 21: DIVIDENDS AND FRANKING CREDITS

	2025 $'000	2024 $'000
Amount of franking credits available for subsequent reporting periods:		
- franking account balance as at the end of the financial year at 30% (2024: 25%)	1,918	1,918
The amount of franking credits available for future reporting periods	**1,918**	**1,918**

NOTE 22: CASH FLOW INFORMATION

(a) Reconciliation of Cash Flow from Operations with Profit/(loss) After Income Tax

	2025 $'000	2024 $'000
Profit after income tax	5,933	7,076
Non Cash Flows in profit or loss		
Depreciation and amortisation	2,866	2,314
Loss on disposal of property, plant and equipment	22	7
Share based payments expense	310	186
Expected credit loss	60	(93)
Consideration adjustments	2,201	-
Net foreign exchange difference	(448)	241
Non Cash Flows in profit or loss	5,011	2,655
Changes in Assets and Liabilities		
Decrease/(Increase) in trade and other receivables	(8,578)	(909)
Decrease/(Increase) in prepayments and other assets	(2,866)	(1,149)
Decrease/(Increase) in inventories	1,386	160
Decrease/(Increase) in deferred tax assets	32	(2,141)
Increase/(Decrease) in trade and other creditors	5,302	4,078
Increase/(Decrease in provisions	700	771
Increase/(Decrease) in income taxes payable	628	806
Increase/(Decrease) in other payables	5,870	806
Total changes in Assets and Liabilities	2,474	1,616
Net Cash Used in Operating Activities	**13,418**	**11,347**

(b) Credit Standby Arrangements with Banks

The Group does not have access to any financing facilities at reporting date.

NOTE 23: CONTROLLED ENTITIES

	Country of Incorporation	Percentage Owned (%) 2025	2024
Parent Entity:			
Austco Healthcare Limited	Australia		
Subsidiaries of Austco Healthcare Limited			
Austco Communication Systems Pty Ltd	Australia	100%	100%
Austco Services Pty Ltd	Australia	100%	100%
Amentco Group Pty Ltd	Australia	100%	100%
Amentco Enterprise Group Pty Ltd	Australia	100%	100%
Sedco Communications Pty Ltd	Australia	100%	100%
Austco Marketing & Service (Asia) Pte Ltd	Singapore	100%	100%
Austco Marketing & Service (USA) Ltd	USA	100%	100%
Austco Marketing & Service (Canada) Ltd	Canada	100%	100%
Austco Marketing & Service (UK) Ltd	UK	100%	100%
Austco Communications (NZ) Ltd	New Zealand	100%	100%
Guild & Spence Technologies Limited	New Zealand	100%	-
G&S Holdings Limited	New Zealand	100%	-
Onix Limited	New Zealand	80%	-

NOTE 24: KEY MANAGEMENT PERSONNEL COMPENSATION

Key Management Personnel comprise directors and other persons having authority and responsibility for planning, directing and controlling the activities of Austco Healthcare Limited.

During the year the following persons were key management personnel:

Mr Clayton Astles	Chief Executive Officer and Executive Director
Mr Graeme Billings	Non Executive Chairman
Mr Brett Burns	Non Executive Director
Mr Anthony Glenning	Non Executive Director
Mrs Ann Larkins	Non Executive Director
Mr Brendan Maher	Chief Financial Officer and Company Secretary

	2025 $	2024 $
Summary		
Short term employee benefits	1,609,357	1,521,398
Post employment benefits	53,540	49,297
Long term benefits	4,836	14,706
Share Based Payments	134,509	92,217
	1,802,242	**1,677,618**

NOTE 25: RELATED PARTY TRANSACTIONS

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

Remuneration of Key Management Personnel are disclosed in Note 24 and the Remuneration Report.

Transactions with related parties:	**2025 $'000**	**2024 $'000**
Legal fees paid to CBW Partners, a firm controlled by Mr Brett Burns, for legal services rendered at rates equal to or better than CBW Partners usual commercial rates in respect of legal services provided.	106	179

NOTE 26: AUDITORS REMUNERATION

	2025	**2024**
(a) **Auditors of the Group – Grant Thornton and related network firms**	**$**	**$**
Audit and review of financial reports		
- Group	203,403	169,950
- Controlled entities	72,701	75,226
Total audit and review of financial reports	276,104	245,176
Other Services		
- Tax compliance services	30,618	57,201
- Due diligence reviews	-	103,000
Total non-audit services	30,618	160,201
Total services provided by Grant Thornton	**306,722**	**405,377**
(b) **Other auditors and their related network firms**		
Audit and review of financial reports		
- Controlled entities	33,326	28,223
Other non-audit services		
- Tax compliance services	5,313	4,500
Total services provided by other auditors	**38,640**	**32,723**

NOTE 27: FINANCIAL INSTRUMENTS

The Group's principal financial instruments comprise receivables, payables, bank loans and overdraft, cash and short term deposits. These expose the Group to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Directors meet monthly to monitor and discuss the current market conditions and the impact on the Group. This monthly analysis and review considers the Group's market risk and exposure, credit risk and liquidity risk. Ageing analysis and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is monitored through annual budgets and regular forecasts. The analysis undertaken enables the Board to determine the overseas price list, the level of debt appropriate to the business and other factors which may impact on the Group's risk profile.

The method of monitoring risk has not altered from the previous corresponding period.

Currency risk

		2025	2024
Financial Assets		**$'000**	**$'000**
Current assets (inc. cash and trade receivables)	USD	11,640	8,897
	NZD	7,534	2,123
	CAN	9,793	6,747
	GBP	1,685	1,031
	SGD	3,161	2,929
Financial Liabilities			
Current liabilities (inc. trade and other payables)	USD	6,777	6,808
	NZD	1,785	395
	CAN	4,466	2,951
	GBP	335	220
	SGD	847	908

Sensitivity Analysis

The Group currently has material exposures to the currencies in the table below.

At 30 June, had the Australian Dollar moved, as illustrated in the table below, with all other variables held constant, post tax profit and equity would have been affected as follows:

	Post Tax Profit Higher/(Lower)		Equity Higher/(Lower)	
	2025	**2024**	**2025**	**2024**
Group	**$'000**	**$'000**	**$'000**	**$'000**
AUD/USD +10%	46	(208)	(1,587)	(1,605)
AUD/USD -10%	(46)	208	1,587	1,605
AUD/NZD +10%	(103)	(132)	(683)	(186)
AUD/NZD -10%	103	132	683	186
AUD/CAN +10%	(165)	(105)	(294)	(313)
AUD/CAN -10%	165	105	294	313
AUD/GBP +10%	(59)	(15)	(100)	(89)
AUD/GBP -10%	59	15	100	89
AUD/SGD +10%	(169)	(119)	(180)	(169)
AUD/SGD -10%	169	119	180	169

Management believe the balance date risk exposures are representative of the risk exposure inherent in the financial instruments. A movement of + and – 10% is selected because a review of recent exchange rate movements and economic data suggests this range is reasonable. All the amounts in the table above are displayed in $AUD.

NOTE 27: FINANCIAL INSTRUMENTS (CONTINUED)

Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

	Weighted average interest rate	Floating interest rate	Non interest bearing		Fixed Interest Rate	
			1 year or less	1 to 5 years	1 year or less	Total
		$'000	$'000	$'000	$'000	$'000
Financial Assets 2025						
Cash and cash equivalents	1.73%	11,421	-	547	2,515	14,483
Trade and other receivables	-	-	21,706	-	-	21,706
Total		**11,421**	**21,706**	**547**	**2,515**	**36,189**
Financial Liabilities 2025						
Trade and other payables	-	-	12,397	-	-	12,397
Contract Liabilities	-	-	6,358	-	-	6,358
Lease liability	9.95%	3,717	-	-	-	3,717
Other current liabilities	-	163	-	-	-	163
Total		**3,880**	**18,754**	**-**	**-**	**22,633**
Financial Assets 2024						
Cash and cash equivalents	2.36%	9,384	5	140	4,027	13,556
Trade and other receivables	-	-	13,128	-	-	13,128
Total		**9,384**	**13,133**	**140**	**4,027**	**26,684**
Financial Liabilities 2024						
Trade and other payables	-	-	10,373	-	-	10,373
Contract Liabilities	-	-	2,670	-	-	2,670
Bank loans	11.07%	1,698	-	-	-	1,698
Other current liabilities	-	80	-	-	-	80
Total		**1,778**	**13,043**	**-**	**-**	**14,821**

At 30 June 2025 the Group did not have any material exposures to interest rates. The following table illustrates, with all other variables held constant, if there was a movement of + and – 10% then pre tax profit would have been affected as follows. A movement of + and – 10% is selected because a review of recent exchange rate movements and economic data suggests this range is reasonable

	Cash and Cash Equivalents Higher/(Lower)		Short term liabilities Higher/(Lower)	
	2025	2024	2025	2024
Interest	$'000	$'000	$'000	$'000
+10%	20	22	-	-
-10%	(20)	(22)	-	-

NOTE 27: FINANCIAL INSTRUMENTS (CONTINUED)

Risk Exposure and Responses

The Group's exposure to market interest rates relates primarily to short term deposits and short term borrowings held. The effect of volatility of interest rates within expected reasonable possible movement would not be material.

Fair Value Measurement

The carrying amounts of cash and cash equivalent, trade and other receivables and trade and other payables are assumed to approximate their fair values due to their short-term nature.

Credit Risk

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. The Group trades only with recognised, creditworthy third parties, and as such collateral is not requested nor is it the Group's policy to securitise its trade and other receivables. It is the Group's policy to consider the credit worthiness of all customers who wish to trade on credit terms. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. There are no significant concentrations of credit risk.

Price Risk

The Group's exposure to raw material commodities is minimal.

Liquidity Risk

The Group manages liquidity risk by monitoring cash flow, maintaining sufficient liquid assets (mainly cash and cash equivalents) and has maintained borrowing facilities to be able to pay debts as and when they become due and payable.

Remaining contractual maturities

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

	Weighted average interest rate	1 year or less $'000	Between 1 to 2 years $'000	Between 2 to 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
2025						
Non interest bearing						
Trade and other payables		12,397	-	-	-	12,397
Contract liabilities		6,358	-	-	-	6,358
Other current liabilities		163	-	-	-	163
Interest bearing						
Lease liability	9.95%	958	1,656	911	191	3,717
Total		**19,875**	**1,656**	**911**	**191**	**22,633**
2024						
Non interest bearing						
Trade and other payables		10,373	-	-	-	10,373
Contract liabilities		2,670	-	-	-	2,670
Other current liabilities		80	-	-	-	80
Interest bearing						
Lease liability	11.07%	493	535	368	302	1,698
Total		**13,616**	**535**	**368**	**302**	**14,821**

NOTE 28: BUSINESS COMBINATIONS

(a) Summary of acquisition of Guild & Spence Technologies Limited (G&S)

On 30 May 2025, the Group acquired the business of G&S by way of a share purchase. G&S was a certified Austco Nurse Call reseller servicing the North Island of the New Zealand market. G&S specialises in providing integrated nurse call, security, access control and complementary low voltage systems to both public and private sector customers. The acquisition increases Austco's direct sales capability, provides growth opportunities and enhances its range of solutions to better meet the needs of the New Zealand healthcare market. Included in the acquisition of G&S is an 80% shareholding in Onix Limited, which provides consulting and design services to extra low voltage and information & communication technology customers.

Details of the purchase consideration, net assets acquired, and goodwill on a provisional basis are as follows:

Purchase consideration:

	$'000
Cash paid	7,372
Working capital and net cash adjustments	991
Contingent consideration	3,396
Total purchase consideration	11,759

Contingent consideration is based on an earn out due under the sale contract calculated on the annualised EBITDA of G&S for the period from 30 May 2025 to 31 December 2026 multiplied by 3.5 times, less $7,371,522 (being the upfront cash consideration). The basis for determining the amount of earnout payable included a weighted value of potential annualised EBITDA outcomes based on due diligence, historical financial performance and the financial performance in the current year with probability assumptions applied.

The assets and liabilities recognised as a result of the acquisition are as follows:

	$'000
Cash	706
Accounts receivables	2,434
Project rentention held	947
Inventories	992
Motor Vehicles	1,608
Office Equipment	89
Plant & Equipment	165
Accrued Income	335
Websites	83
Prepayments	166
Other Assets	73
Right-of-use-assets	689
Lease Liabilities	(689)
Trade payables	(847)
Accrued Liabilities	(528)
Employment benefit obligations	(511)
Unearned Revenue	(818)
Net identifiable assets acquired	4,894
Add: Goodwill	6,865
Net assets acquired	11,759

NOTE 28: BUSINESS COMBINATIONS (continued)

The goodwill is attributable to the workforce and the profitability of the acquired businesses. It will not be deductible for tax purposes.

(i) Acquired receivables

The fair value of acquired trade receivables is $2,433,990. The gross contractual amount for trade receivables due is $2,480,381, with a loss allowance of $46,391 recognised on acquisition.

(ii) Acquired Inventories

The fair value of acquired inventories is $992,049. The gross amount for inventories is $992,049 with no provision for slow moving inventory allowance recognised on acquisition due to a pre acquisition rationalisation of inventories.

(iii) Revenue and profit contribution

The acquired businesses contributed revenues of $2,043,666 and net profit of $183,044 to the group for the period from 30 May 2025 to 30 June 2025.

The disclosure requirement of the revenues and net profit if the acquisition had occurred on 1 July 2024 is impracticable given the material differences in accounting policies between the group and the acquired businesses pre acquisition, specifically with regards to revenue recognition, accounting for inventories, lease liabilities and employment benefit obligations.

(b) Guild & Spence Technologies Limited (G&S) – cash outflow

	30 June 2025 $'000
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration paid	7,372
Working capital and net cash adjustments paid	-
Less: Balances acquired	(706)
Net outflow of cash – investing activities	**6,666**

Acquisition-related costs

Acquisition-related costs of $0.123m that were not directly attributable to the issue of shares are included in administrative expenses in the statement of profit or loss and in operating cash flows in the statement of cashflows.

(c) Prior year acquisition of Teknocorp and VMS

The 27 November 2023 acquisition of Teknocorp and Victorian Monitoring Systems (VMS) included contingent consideration based on the EBITDA performance of those businesses to 31 December 2024. Contingent consideration of $0.967m was recognised on acquisition. The final contingent consideration paid was $0.799m, with the $0.168m gain recognised through the profit and loss in the current reporting period. A further $0.082m of overaccruals recognised on acquisition were reversed with the gain also recognised through the profit and loss in the current reporting period.

(d) Prior year acquisition of Amentco

The 1 May 2024 acquisition of Amentco includes contingent consideration based on its EBITDA performance to 30 June 2025. Contingent consideration of $5.947m was recognised on acquisition. The final contingent consideration due is $8.398m, with the $2.451m loss recognised through the profit and loss in the current reporting period.

NOTE 29: EVENTS AFTER THE REPORTING DATE

No matters or circumstances, other than those listed below, have arisen since the end of the reporting date, not otherwise disclosed in this report, which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

NOTE 30: CONTINGENT LIABILITIES AND ASSETS

Outstanding Bank Guarantees

Outstanding bank guarantees held as at 30 June 2025 amounted to $640,131 (2023: $358,562), being financial guarantees relating:

- performance obligations under a client contract for $414,851 (2024: $340,887); and
- the lease of the previous registered office at 1/31 Sabre Drive, Port Melbourne $Nil (2024: $17,675).
- the lease of the registered current office at 1/484 Graham Street, Port Melbourne $72,600 (2024: $Nil).
- Various leases relating to offices of regional offices $152,680 (2024: $Nil).

NOTE 31: PARENT ENTITY INFORMATION

The following information related to the parent entity, Austco Healthcare Limited as at 30 June 2025. This information has been prepared using consistent accounting policies as presented in Note 1.

	Parent Entity	
	2025	**2024**
	$'000	**$'000**
Current assets	17,256	16,888
Non current assets	5,917	5,917
Total Assets	**23,173**	**22,805**
Current liabilities	-	37
Non current liabilities	-	-
Total Liabilities	**-**	**37**
Net Assets	**23,173**	**22,768**
Issued Capital	54,890	54,465
Accumulated losses	(32,097)	(32,022)
Option and Rights Reserves	380	325
Total Equity	**23,173**	**22,768**
Net Income (Loss) for the year	(328)	(365)
Total comprehensive income for the year	**(328)**	**(365)**

Contingent Liabilities

The parent entity had no contingent liabilities as at 30 June 2025 and 30 June 2024.

Consolidated Entity Disclosure Statement

for the year ended 30 June 2025

Name of Entity	Type of Entity	Trustee, partner or joint venture	% of share capital held	Country of Incorporation	Australian resident or foreign resident (for tax purposes)	Foreign tax jurisdiction of foreign residents
Austco Healthcare Limited	Body Corporate	n/a	n/a	Australia	Australian	n/a
Austco Communication Systems Pty Ltd	Body Corporate	n/a	100%	Australia	Australian	n/a
Austco Services Pty Ltd	Body Corporate	n/a	100%	Australia	Australian	n/a
Amentco Group Pty Ltd	Body Corporate	n/a	100%	Australia	Australian	n/a
Amentco Enterprise Group Pty Ltd	Body Corporate	n/a	100%	Australia	Australian	n/a
Sedco Communications Pty Ltd	Body Corporate	n/a	100%	Australia	Australian	n/a
Austco Marketing & Service (Asia) Pte Ltd	Body Corporate	n/a	100%	Singapore	Foreign	Singapore
Austco Marketing & Service (USA) Ltd	Body Corporate	n/a	100%	USA	Foreign	USA
Austco Marketing & Service (Canada) Ltd	Body Corporate	n/a	100%	Canada	Foreign	Canada
Austco Marketing & Service (UK) Ltd	Body Corporate	n/a	100%	UK	Foreign	UK
Austco Communications (NZ) Ltd	Body Corporate	n/a	100%	New Zealand	Foreign	New Zealand
Guild & Spence Technologies Limited	Body Corporate	n/a	100%	New Zealand	Foreign	New Zealand
G&S Holdings Limited	Body Corporate	n/a	100%	New Zealand	Foreign	New Zealand
Onix Limited	Body Corporate	n/a	80%	New Zealand	Foreign	New Zealand

The Directors of Austco Healthcare Limited declare that:

(a) in the Directors' opinion, the financial report as set out on pages 3 to 68 and remuneration report as set out on pages 12 to 20, are in accordance with the Corporation Act 2001, including:

(i) giving a true and fair view of consolidated entity's financial position as at 30 June 2025 and of its performance, for the financial year ended on that date;

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001; and

(iii) the remuneration disclosures contained in the remuneration report comply with s300A of the Corporations Act 2001.

(b) the financial report also complies with International Financial Reporting standards issued by the International Accounting Standards Board as disclosed in note 1;

(c) the information disclosed in the Consolidated Entity Disclosure Statement as set out on page 64 is true and correct; and

(d) there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

The directors have been given the declarations by the chief executive and chief financial officer for the financial year ended 30 June 2025, required by Section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of the directors.

Clayton Astles
Chief Executive Officer
Dated this 26th day of August 2025, Melbourne

Grant Thornton

Grant Thornton Audit Pty Ltd
Level 22 Tower 5
Collins Square
727 Collins Street
Melbourne VIC 3008
GPO Box 4736
Melbourne VIC 3001

T +61 3 8320 2222

Independent Auditor's Report

To the Members of Austco Healthcare Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Austco Healthcare Limited (the Company), and its subsidiaries (the Group) which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and statement of cash flows for the year then ended, and notes to the consolidated 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 2025 and of its performance for the year ended on that date; 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.

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.

Key audit matter	How our audit addressed the key audit matter
Revenue recognition – Note 2	
Revenue recognised from contracts with customers amounted to $81.405 million for the year ended 30 June 2025. The Group enters into transactions that involve a range of products and services. Revenue includes equipment sales, installation services and software and maintenance agreements (SMA) sales. Revenue is recognised either at a point in time or over time as the Group satisfies its performance obligations in line with AASB 15 *Revenue from Contracts with Customers*. This represents a key audit matter given management judgement is required in determining the appropriate recognition of revenue, and material nature of revenue to the Group's overall performance.	Our procedures included, amongst others: • Documenting the nature of revenue streams and reviewing recognition policies for compliance with AASB 15; • Assessing the design and implementation of relevant controls in relation to accounting for revenue; • Selecting a sample of equipment sales and tracing to invoice, proof of shipment and receipt of funds to verify occurrence and accuracy; • Testing sales immediately pre and post year-end and assessing whether revenue is recognised in the correct period; • Selecting a sample of installation and SMA revenue transactions and agreeing to supporting invoice/ contract, percentage complete judgements and receipt of funds to verify the transaction is accurate and recorded in the correct period; and • Assessing the adequacy of relevant financial statement disclosures.
Capitalisation of product development costs – Note 14	
As at 30 June 2025, the carrying value of capitalised product development costs was $6.795 million. The Group capitalises costs directly attributable to the development of software related to nurse call and clinical software solutions technology as intangible assets in accordance with AASB 138 *Intangible Assets*. Intangible assets with a finite useful life are required to be assessed for impairment indicators annually in line with AASB 136 *Impairment of Assets*. Assets not yet available for use are subject to an annual impairment test annually regardless of indicators of impairment by comparing the carrying amount with the recoverable amount. This is a key audit matter due to the inherent judgement in determining projects and related costs that satisfy the strict criteria within AASB 138 and estimating the assets' useful lives. In addition, consideration of impairment involving projected future cash flows is subject to management judgement.	Our procedures included, amongst others: • Documenting our understanding of processes and controls including a review of management's capitalisation policy for compliance with AASB 138; • Assessing the design and implementation of relevant controls in relation to accounting for intangible assets; • Testing a sample of costs capitalised to supporting documentation and assessed for compliance with the recognition criteria with AASB 138; • Discussing with management the nature of activities undertaken and status of key projects; • Evaluating management's assessment of impairment indicators for intangible assets previously capitalised; • Assessing management's useful economic life including amortisation charged for consistency with accounting policies adopted; • For intangible assets not yet available for use, assessing the impairment model for compliance with

AASB 136 and evaluating the reasonableness of key assumptions through sensitivity analysis including discount rate, growth rates and forecast assumptions; and

- Assessing the adequacy of relevant financial statement disclosures.

Information other than the financial report and auditor's report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2025, 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 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 that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 (other than the consolidated entity disclosure statement); and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

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

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

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

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

Auditor's responsibilities for the audit of the financial report

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

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://auasb.gov.au/media/bwvjcgre/ar1_2024.pdf.This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in pages 12 to 20 of the Directors' report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of Austco Healthcare Limited, for the year ended 30 June 2025 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.

Grant Thornton

Grant Thornton Audit Pty Ltd
Chartered Accountants

M J Climpson
Partner – Audit & Assurance

Melbourne, 26 August 2025

Corporate Governance Statement

In accordance with Listing Rule 4.10.3, Austco's Corporate Governance Statement can be found at http://www.austcohealthcare.com/

Shareholder Information

Additional information required by the Australian Securities Exchange Limited and not shown elsewhere in this report is as follows. This information is correct as at 22 August 2025.

Distribution of Holders In Each Class Of Equity Securities

Fully paid ordinary shares	**Number of shareholders**	**Percentage of shareholders**
1 – 1,000	65	0.00%
1,001 – 5,000	315	0.25%
5,001 – 10,000	196	0.43%
10,001 – 100,000	577	5.83%
100,001 and over	255	93.49%
Total Number of shareholders	1,408	100%
Holders holding less than a marketable parcel	80	

Twenty largest Holders Of Quoted Securities	**Number**	**%**
HSBC Custody Nominees (Australia) Limited	66,796,041	18.28
ASIA PAC HOLDINGS PTY LTD	19,488,748	5.33
ASIA PAC TECHNOLOGY PTY LTD	18,681,085	5.11
BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	14,083,871	3.85
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	13,341,940	3.65
MOAT INVESTMENTS PTY LTD <MOAT INVESTMENT A/C>	12,631,219	3.46
DIXSON TRUST PTY LTD	10,504,433	2.87
ASIA PAC HOLDINGS PTY LTD <ASIA PAC HOLDINGS A/C>	8,948,764	2.45
ABN AMRO CLEARING SYDNEY NOMINEES PTY LTD <CUSTODIAN A/C>	7,617,459	2.08
MAST FINANCIAL PTY LTD <A TO Z INVESTMENT A/C>	7,251,920	1.98
GLIOCAS INVESTMENTS PTY LTD <GLIOCAS GROWTH FUND A/C>	6,992,803	1.91
BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT>	6,411,277	1.75
HESTFIELD PTY LTD <NEIL EATON FAMILY A/C>	5,029,914	1.38
MR SEAN PATRICK MARTIN <THE AVEBURY FAMILY A/C>	4,908,484	1.34
MRS EMMA JANE GRACEY	4,151,987	1.14
ASIA PAC TECHNOLOGY PTY LTD <JOHN BENNETTS S/F A/C>	4,083,245	1.12
ROKATEL PTY LTD	3,888,889	1.06
SEAN ELIAS FAMILY INVESTMENTS PTY LTD <SEAN ELIAS FAMILY INV A/C>	3,848,536	1.05
BT ADVISORY PTY LTD	3,779,527	1.03
ASIA PAC HOLDINGS PTY LTD	3,502,738	0.96

Substantial shareholder notices lodged with the Company as at 22 August 2025

Australian Ethical Investment Ltd	51,201,161 shares	14.06%
Asia Pac Holding Pty Ltd	56,897,798 shares	15.77%

Corporate Information

Austco Healthcare Limited
ABN 67 108 208 760

DIRECTORS
Mr Clayton Astles – Chief Executive Officer & Executive Director
Mr Graeme Billings – Non-Executive Chairman
Mr Brett Burns – Non-Executive Director
Mr Anthony Glenning – Non-Executive Director
Mrs Ann Larkins – Non-Executive Director

COMPANY SECRETARY
Mr Brendan Maher

REGISTERED OFFICE
Unit 1, 484 Graham Street
Port Melbourne, VIC 3207
Australia

SHARE REGISTRY
Computershare Investor Services Pty Limited
Yarra Falls
452 Johnson Street
Abbotsford, VIC 3067
Australia

Austco Healthcare Limited shares are listed on the Australian Securities Exchange (ASX:AHC)

BANKERS
Commonwealth Bank of Australia
Level 12, 385 Bourke Street
Melbourne, VIC 3000
Australia

AUDITORS
Grant Thornton
727 Collins Street
Melbourne, VIC 3008
Australia