ReadyTech Holdings Limited
Appendix 4E
Preliminary final report

1. Company details

Name of entity:	ReadyTech Holdings Limited
ABN:	25 632 137 216
Reporting period:	For the year ended 30 June 2025
Previous period:	For the year ended 30 June 2024

2. Results for announcement to the market

				$'000
Revenues from ordinary activities	up	7.1%	to	121,849
Loss from ordinary activities after tax attributable to the owners of ReadyTech Holdings Limited	down	395.4%	to	(16,141)
Loss for the year attributable to the owners of ReadyTech Holdings Limited	down	395.4%	to	(16,141)

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

Comments
The loss for the Group after providing for income tax amounted to $16,141,000 (30 June 2024: profit of $5,464,000).

Refer to the 'Review of operations' in the Directors' report for further commentary and analysis of the results.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(48.40)	(49.73)

4. Control gained over entity

On 7 February 2025, the Group completed the acquisition of 100% ordinary shares of CouncilWise Pty Ltd.

5. Loss of control over entities

Not applicable.

6. Dividends

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

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

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

The financial statements have been audited and an unmodified opinion has been issued.

11. Attachments

Details of attachments (if any):

The Annual Report of ReadyTech Holdings Limited for the year ended 30 June 2025 is attached.

12. Signed

As authorised by the Board of Directors

Signed ______________________________ Date: 27 August 2025

Tony Faure
Chair
Sydney

ReadyTech Holdings Limited

ABN 25 632 137 216

Annual Report - 30 June 2025

Directors	Tony Faure - Chair and Independent Non-Executive Director Marc Washbourne - Chief Executive Officer Timothy Ebbeck - Independent Non-Executive Director Helen Lea - Independent Non-Executive Director Mark Summerhayes - Non-Executive Director
Company secretaries	Nimesh Shah Melissa Jones
Registered office and Principal place of business	Level 2, 77 King Street Sydney NSW 2000 Australia Ph: +61 2 9018 5525
Share register	MUFG Corporate Markets (AU) Limited Liberty Place, Level 41 161 Castlereagh Street Sydney, NSW 2000 Australia Ph: +61 2 8280 5000
Auditor	Deloitte Touche Tohmatsu Quay Quarter Tower 50 Bridge Street Sydney, NSW 2000, Australia Ph: +61 2 9322 7000
Stock exchange listing	ReadyTech Holdings Limited shares are listed on the Australian Securities Exchange (ASX code: RDY)
Website	www.readytech.io
Corporate Governance Statement	The Directors and management are committed to conducting the business of ReadyTech Holdings Limited in an ethical manner and in accordance with the highest standards of corporate governance. ReadyTech Holdings Limited has adopted and has complied with the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (Fourth Edition) (‘Recommendations’) to the extent appropriate to the size and nature of its operations. The Corporate Governance Statement, which sets out the corporate governance Recommendations that were followed during the reporting period and identifies and explains any Recommendations that were not followed was approved by the Board of Directors at the same time as the Annual Report and can be found at https://investors.readytech.com.au.

The Directors present their report, together with the financial statements, on the consolidated entity ('Group' or 'ReadyTech') consisting of ReadyTech Holdings Limited ('Company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 30 June 2025.

Directors
The following persons were Directors of ReadyTech Holdings Limited during the whole of the financial year and up to the date of this report, unless otherwise stated:

Tony Faure - Chair and Independent Non-Executive Director
Marc Washbourne - Chief Executive Officer
Timothy Ebbeck - Independent Non-Executive Director
Helen Lea - Independent Non-Executive Director
Mark Summerhayes - Non-Executive Director (appointed on 30 July 2024; [resigned as alternate Director of Tom Matthews on 30 July 2024])
Tom Matthews - Non-Executive Director (resigned on 30 July 2024)

Principal activities
During the financial year, the principal continuing activities of the Group consisted of:

- Education and Work Pathways - provider of education, apprenticeship and employment services technology powering better outcomes for students, learners and job seekers;
- Workforce Solutions - provider of integrated payroll, rostering, HR and recruitment for the workforce; and
- Government Justice and Procurement - provider of technology solutions for local and state government and justice agencies.

Dividends
There were no dividends paid, recommended or declared during the current or previous financial year.

Review of operations
The loss for the Group after providing for income tax amounted to $16,141,000 (30 June 2024: profit of $5,464,000).

Commenting on the FY25 result, ReadyTech Co-Founder and CEO, Marc Washbourne said:

“FY25 was a year of transition and foundation for ReadyTech, delivering $15.4 million in committed new business, highlighted by our largest-ever Workforce Solutions customer. In 2H, with the successful integration of CouncilWise, we also saw strong evidence that the performance challenges we experienced in Local Government have been addressed. Overall, a strong Q4, with $10.5 million in new contracts, positions us to accelerate cloud adoption and capture the growing enterprise opportunity. With focused investment in our flagship platforms, we are set to drive stronger growth through FY26 and beyond.”

“ReadyTech is now positioned to secure major enterprise wins in rapidly transforming markets. With proven customer traction, scalable SaaS platforms and retention momentum, we are building durable competitive advantage. Our products are primed to harness AI, supporting sustainable long-term growth.”

Flagship products driving enterprise momentum across key verticals
ReadyTech delivered total revenue of $121.8 million in FY25, up 7.1% year-on-year, underpinned by strong performance across our flagship products. Subscription revenue rose 7.6% to $102.7 million, with recurring revenue now accounting for 84.3% of total revenue, reinforcing the strength of the SaaS model.

Education & Work Pathways secured $6.6 million in confirmed wins including multiple breakthrough contracts in higher education. Workforce Solutions achieved $5.4 million in new business with expansion into new core verticals including education and hospitals.

Net revenue retention of 102% reflects continued progress with existing customers upgrading to cloud platforms and expanding their use of ReadyTech solutions, offset by delays in 1H FY25 for Government segment upgrades.

Expenses[1] increased 9.8% to $82.3 million, reflecting ReadyTech's targeted investment in capabilities to support future revenue growth. Investment in Research & Development represented 29.2% of revenue, while Sales & Marketing investment of 7.6% of revenue focused on accelerating growth in flagship products.

(1) Total expenses excluding LTIP ($0.2m) and non-cash impairment of goodwill and related assets for Government and Justice segments CGU of $21.7m, fair value of contingent consideration of $1.6m and $3.1m relating to transactions and integration costs for acquisitions (completed and declined opportunities) as well as one-off consulting costs.

Material business risks

The following is a summary of material business risks that could adversely affect our financial performance and growth potential in future years.

Disruption to, or failure of, technology systems and software, including security breaches

The Group and its customers are dependent on the effective performance, reliability and availability of the Group's technology platforms, communications systems, servers, the internet, hosting services and the on-premise and cloud-based environments in which it provides such software solutions.

There is a risk that the Group's systems and software may be adversely affected by damaged or faulty equipment misuse by staff or contractors, disruption, failure, service outages or data corruption that could occur as a result of computer viruses, "worms", malware, ransomware, internal or external misuse by websites, hacking or cyber-attacks, and other disruptions including natural disasters, power surges or outages, terrorist attacks, or other similar events.

There is also a risk that security and technical precaution measures taken by the Group and its third-party operators will not be sufficient to prevent unauthorised access to the Group's networks, systems and databases.

Operational or business delays, and damage to reputation, may result from any disruption or failure of the Group's information systems and product delivery platforms, which may be caused by events outside the Group's control. This could lead to claims against the Group by its customers, reduce the attractiveness of the Group's software and services to its clients, subject the Group to legal action and/or regulatory scrutiny and the potential termination of customer contracts.

Business growth and client retention

ReadyTech's business is dependent on its ability to retain a portion of its existing clients and attract new business. ReadyTech sells its products under various subscription and licence models, all of which are exposed to the risk of expiry, non-renewal, and pricing risks. ReadyTech may fail to retain sufficient existing customers or attract sufficient new business for a number of reasons, such as the failure to meet customer expectations, poor customer service, technology disruptions, pricing or competition.

ReadyTech may also be unable to, or experience delays in, converting pipeline customers into new customers, especially larger customers who generally have longer sales cycles and procurement and tender processes.

Talent retention and acquisition

The Group's success depends to some extent on its ability to attract and retain key personnel; specifically technology talent, implementation and customer success roles, payroll specialists and senior management with extensive experience in, and knowledge of, the education, government, justice and employment industries in which the Group operates.

The loss of key personnel may adversely affect the Group's ability to develop its products, or implement its business strategies and may adversely affect its future financial performance. This continues to be an elevated risk due to a tight labour market, wage inflation driven by an increased demand for this talent by acceleration of digital strategies, lack of migration and skills shortages.

Technology and software

Long term development of software can lead to dependency on dated technology that restricts maintainability, speed of development, security and The Group's competitiveness in the market. Rapid growth can incur technical debt in service of speed to market. As with all information technology and software products, there is a risk of technology obsolescence. New technology may be perceived by customers to have advantages over the Group's current products.

Adoption of regulatory changes

The Group's products are significantly influenced and affected by government policy and regulations which apply to the education, employment and government related entities industries in which the Group operates. There is a risk that the Group may fail to keep abreast of such policy and regulations and potential changes to the same, which may have an adverse impact on its business, operations and financial performance.

Any material new or altered law, regulation or policy which impacts the Group's products could require the Group to increase spending and employee resources on regulatory compliance and/or change its business practices, which would adversely affect the Group's operations and profitability. Further, there is a risk that customers may reduce their usage of the Group's products, or that the Group may fail to attract new customers, if the Group fails to offer solutions with appropriate coverage of compliance or regulatory requirements as sought by its customers.

Significant changes in the state of affairs

Acquisition

On 7 February 2025, the Group completed the acquisition of 100% ordinary shares of CouncilWise Pty Ltd for a total consideration of $7,588,000. The purchase price includes an initial consideration transferred of $3,588,000 (representing cash of $2,088,000 and shares issued to the vendor amounting to $1,500,000) and up to $4,000,000 in deferred consideration based on achievement of activity-based goals and revenue hurdle.

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

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Likely developments and expected results of operations

The Group will continue to pursue growth in revenue in the next financial year. Refer to the "Review of operations " section above for further details.

Environmental regulation

The Group is not subject to any significant environmental regulation under Australian Commonwealth or State law.

Information on Directors

Name:	Tony Faure
Title:	Chair and Independent Non-Executive Director
Qualifications:	Tony holds a Bachelor of Economics (hons) from the University of Sussex.
Experience and expertise:	Tony Faure is a seasoned Chair and Non-Executive Director with deep expertise in technology, data, digital media and marketing. Tony has advised some of Australia's leading technology, data and digital media companies. He previously served as CEO of ninemsn and HomeScreen Entertainment, and he was the launch Managing Director, Australia & NZ and later Regional Vice President, South Asia for Yahoo! from 1997 to 2001. Tony's board roles have included positions at SEEK, iSelect, Independent Business Media (publisher of Business Spectator/Eureka Report), Junkee Media, and the Starlight Children's Foundation Australia's NSW Advisory Board.
Other current directorships:	Chair of oOh!media Ltd (ASX:OML), PredictHQ Limited, LawPath Pty Ltd and Year 13 and Non-Executive Director at Common Interest, VC.
Former directorships (last 3 years):	Uno Homeloans
Special responsibilities:	Member of the Audit and Risk Committee and Nomination and Remuneration Committee
Interests in shares:	378,819 ordinary shares

Name: Title:	Marc Washbourne Chief Executive Officer
Qualifications:	First-class degree (History), University of Leeds, UK. Company Directors Course, AICD
Experience and expertise:	Marc Washbourne is a founder of the ReadyTech business and was appointed CEO in 2006. A former software developer and original architect of the JobReady software, Marc brings to ReadyTech over 20 years of experience in technology for the education, employment and government sectors. Marc now heads up a global team committed to innovation and better technology. Marc couples his strong technical background with a strategic vision for ReadyTech's Software-as-a-Service ('SaaS') products, underpinning best practice approaches shared across the platforms.
Other current directorships:	Year13, Future Skills Organisation
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	4,404,729 ordinary shares

Name: Title:	Timothy Ebbeck Independent Non-Executive Director
Qualifications:	Timothy holds a Bachelor of Economics, is a Fellow of CPA Australia, a Fellow of the Australian Institute of Management, a Graduate Member of the Australian Institute of Company Directors, and a Member of the Australian Computer Society.
Experience and expertise:	Tim Ebbeck has over 35 years of board, executive, and advisory experience across a breadth of industries including software and technology, AI, blockchain, media, sport, consulting, energy and finance. Tim's executive experience includes roles as Chief Executive Officer at SAP (ANZ), Chief Executive of Oracle (ANZ), Chief Commercial Officer of SAP (APJ), and Chief Commercial Officer of NBN Co. His board roles have included being Non-Executive Director for Bigtincan Limited (ASX.BTH), Indara Digital Infrastructure (JV Australian Super and Singtel), CPA Australia, Central Coast Local Health District, The Yield Technology Solutions, Nextgen Distribution, Museum of Applied Arts & Sciences NSW, and Insite Organisation. Tim is a professional company director and advisor to a range of companies in the technology and emerging industries and a former CEO member of the Business Council of Australia.
Other current directorships:	Indara Digital Infrastructure Limited and Central Coast Local Health District
Former directorships (last 3 years):	BigtinCan Holdings Ltd (ASX.BTH), Xpon Technologies Ltd (ASX.XPN), The Yield Technology Solutions Pty Ltd, Envirosuite Ltd (ASX.EVS), Tymlez Group Ltd (ASX.TYM)
Special responsibilities:	Chair of the Audit and Risk Committee and a member of the Nomination and Remuneration Committee
Interests in shares:	31,068 ordinary shares

Name:	Helen Lea
Title:	Independent Non-Executive Director
Qualifications:	Helen holds a Master of Arts: Industrial Psychology (University of the Witwatersrand). Helen is a member of the Australian Institute of Company Directors and a Fellow member of the Australian Human Resources Institute. Helen is also a registered organisational psychologist and a member of the Australian Psychological Society.
Experience and expertise:	Helen has held various executive, directorship and committee advisory roles for ASX listed and private companies and is an expert in transformation, talent and performance and human resources. Helen's previous executive experience included roles as Chief Employee Experience Officer & Government Policy Lead at MYOB, Executive director at Telstra and Interim executive roles at Seven Group Holdings and Uniting.
Other current directorships:	MiQ Private Wealth
Former directorships (last 3 years):	Butn
Special responsibilities:	Chair of the Nomination and Remuneration Committee, member of the Audit and Risk Committee
Interests in shares:	11,538 ordinary shares

Name:	Mark Summerhayes
Title:	Non-Executive Director (appointed on 30 July 2024; [resigned as alternate Director of Tom Matthews on 30 July 2024])
Qualifications:	Mark holds a Master's Degree in Economics from the University of Cambridge.
Experience and expertise:	After graduating from Cambridge University in 1987, Mark spent seven years at Bain & Company advising corporates on a mix of strategy, Mergers and Acquisitions ('M&A'), and operational improvement projects. Mark was based in London, Munich and Sydney. Mark led assignments for leading European players in the Fast-Moving Consumer Goods ('FMCG'), financial services, telecoms, healthcare and industrial sectors. In 1996 Mark co-founded SB Capital Partners, a private equity partnership, which was backed by Bain Capital, one of the leading US private equity firms. On the back of the success of this venture, Bain Capital subsequently launched its first dedicated European buy-out fund. In parallel to this activity, Mark assisted a wealthy Norwegian family build its own portfolio of private equity investments in both early and late stage situations and private equity funds. In 2001 Mark joined Smedvig Capital full time and as a Managing Director was one of the senior executives responsible for investing, managing and reporting on a diversified A$350 million private equity portfolio. Mark moved to Sydney in 2005 to join Pemba Capital Partners and co-led the spin out of the captive fund from Pemba in 2009. More recently has co-led a $650 million and a $400 million fundraising (backed by some of the largest global and local LPs) which has established the firm as one of the leaders in its segment in Australia and NZ.
Other current directorships:	Currently a Director of Ausreo, ADDA, Arteva,, InteriorC, Oolio and RxPx
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	555,036 ordinary shares

Name:	Tom Matthews
Title:	Former Non-Executive Director (resigned on 30 July 2024)
Qualifications:	Tom is a CFA charter holder, a member of the Sydney CFA Society and also has a Masters of Applied Finance and Investment from the Financial Services Institute of Australasia. In 2001, Tom was awarded a Bachelor of Sciences honours degree in Management Sciences from the London School of Economics.
Experience and expertise:	Tom has over 20 years of experience in private equity, principal investment, investment banking and middle market advisory and valuations in both Australia and the UK. As a Managing Director at leading private equity manager Pemba, Tom has led a number of transactions across Pemba's areas of focus since 2015, including investments into ReadyTech, Marque Group, Open Office, ONCALL, RxPx, Vets Central, Acis, Aurizn, Lumia Care and Rennie Advisory. Tom has held a variety of senior roles prior to joining Pemba, including at private equity firm Sovereign Capital Partners in the UK, the Investment Banking Group of Macquarie Bank, and Deloitte Corporate Finance in both Sydney and London.
Other current directorships:	Vets Central, Acis, Aurizn, ONCALL, Lumia Care and Rennie Advisory
Former directorships (last 3 years):	None
Special responsibilities:	None
Interests in shares:	Not applicable as no longer a director

Company secretaries
Nimesh Shah and Melissa Jones are joint company secretaries.

Nimesh Shah has been the Chief Financial Officer of ReadyTech since August 2017 and was appointed Company Secretary on 28 March 2019. Nimesh has over 20 years' experience as an executive in technology and online digital industries, utilising experience gained working across Australia and many parts of Asia. Nimesh was Global CFO for pioneering social networking site, Friendster, Inc. Nimesh was also Finance Director at Fairfax Digital Australia & New Zealand Pty Limited for seven years, playing an instrumental role in navigating the company into the world of online publishing and transaction businesses. Nimesh was also the Chief Financial Officer and Company Secretary of ASX-listed Isentia Group Limited, a position which he held until July 2017, where he played an instrumental role in transitioning Isentia to become a leading media intelligence organisation in Asia Pacific. Nimesh holds an MBA from the Australian Graduate School of Management and a Bachelor of Commerce with Merit from the University of New South Wales. Nimesh is also a member of Chartered Accountants Australia and New Zealand and Australian Institute of Company Directors.

Melissa Jones is the General Manager of MUFG Corporate Governance (previously known as Company Matters), part of MUFG Corporate Markets, a division of MUFG Pension & Market Services. Melissa has over 20 years' experience as a lawyer, company secretary and governance professional. Melissa is admitted as a Solicitor of the Supreme Court of New South Wales and holds a Bachelor of Laws (Honours) and is a Fellow of the Governance Institute of Australia.

Meetings of Directors
The number of meetings of the Company's Board of Directors ('the Board') held during the period ended 30 June 2025, and the number of meetings attended by each Director were:

	Full Board		Nomination and Remuneration Committee		Audit and Risk Committee	
	Attended	Held	Attended	Held	Attended	Held
Tony Faure	16	16	4	4	4	4
Marc Washbourne*	15	16	4	4	3	4
Timothy Ebbeck	16	16	4	4	4	4
Helen Lea	16	16	4	4	4	4
Mark Summerhayes**	11	14	-	-	-	-
Tom Matthews***	2	2	-	-	-	-

Held: represents the number of meetings held during the time the Director held office.

* Marc Washbourne attended 3 Audit and Risk Committee meetings and 4 Nomination and Remuneration Committee meetings as an observer.
** In FY2025, Mark Summerhayes was an Alternative Non-Executive Director for Tom Matthews until 30 July 2024. Mark Summerhayes was appointed as a Non-Executive Director on 30 July 2024.
*** Tom Matthews resigned on 30 July 2024.

Remuneration report (audited)
Commenting on the FY25 remuneration report, ReadyTech Chair of the Nomination and Remuneration Committee, Helen Lea said:

In a year where we continued to grow, there were a number of considerations for the Nomination and Remuneration Committee. The Committee acknowledges that the result for the year was below expectations and this is reflected in the reward outcomes for FY25.

The continuation of our Enterprise Strategy and strong growth across the majority of our verticals is reflective of the effort and capabilities of our executive and senior leadership team at ReadyTech. The Committee and Board were pleased with the manner in which Management developed and implemented effective strategic solutions to market challenges and the pace with which they were delivered to return performance to our desired trajectory.

Looking ahead, our portfolio strategy requires executives who are capable of bringing specialist expertise and strong leadership to their verticals, and an ‘enterprise-mindedness’ to decisions, prioritization and action. From a remuneration and reward perspective this requires recognition of both individual outcomes and contributions and also the results of collective efforts and collaboration.

The Australian software and SaaS market comprises a small and highly contested talent pool. Our enterprise strategy requires increasing levels of domain knowledge and experience. We are putting in place specific measures in FY26 to ensure we remain competitive in this market. These include the design of our remuneration framework, and the mix of metrics targeted to drive our growth aspirations and incentivise outstanding achievement.

The remuneration report details the key management personnel remuneration arrangements for ReadyTech, in accordance with the requirements of the Corporations Act 2001 and its Regulations.

Key management personnel ('KMP') are those people who have authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including all Directors.

Principles used to determine the nature and amount of remuneration
The Nomination and Remuneration Committee at ReadyTech endeavours to meet a number of objectives through the remuneration framework. These include:

- the alignment of interests of executives with those of our shareholders;
- incentivising performance through positive outcomes for the effective execution of business strategy;
- ensuring a competitive offer, able to retain and motivate our existing team;
- securing new talent with the specialized skills and expertise required in our sector;
- attention to the affordability and reasonableness of our offer when considering our earnings, size and scale; and
- transparency – internally to enable alignment and motivational value and externally to reinforce confidence in our approach and reward governance.

Operating in a market for a highly competitive talent pool, across a portfolio business model and a growing Enterprise customer base, we monitor the effectiveness of our offer and its alignment to market practices on a regular basis.

The Nomination and Remuneration Committee is responsible for determining and reviewing remuneration arrangements for Directors and executives.

In considering the alignment of reward to shareholders’ interests, the Board has determined to:

- have economic profit as a core component of plan design;
- focus on sustained growth in shareholder wealth, consisting of dividends and growth in share price, and delivering constant or increasing return on assets as well as focusing the executive on key non-financial drivers of value; and
- weight our remuneration offer towards variable, performance-led components.

Additionally, the reward framework seeks to enhance executives' interests by:
- rewarding capability and experience;
- reflecting competitive reward for contribution to growth in shareholder wealth; and
- providing a clear structure for earning rewards.

In accordance with best practice corporate governance, the structure of non-executive Director and executive Director remuneration is separate.

Non-executive Directors' remuneration
Fees and payments to non-executive Directors reflect the demands and responsibilities of their role. These fees and payments are reviewed annually by the Nomination and Remuneration Committee, who may, from time to time, receive advice from independent remuneration consultants to ensure their appropriateness.

The Chair's fees are determined independently to the fees of other non-executive Directors and all non-executive Director remuneration is based on comparative roles in the external market. Non-executive Directors are not entitled to participate in any employee incentive scheme established by the Company.

Any non-executive Director who devotes special attention to the business of the Group or who performs services which, in the opinion of the Remuneration Committee, are outside the scope of ordinary duties of a Director, may be remunerated for the services (as determined by the Board) out of the funds of the Company. There are no retirement benefit schemes for Directors, other than statutory superannuation contributions.

ASX listing rules require the aggregate non-executive Directors' remuneration be determined periodically by a general meeting. The most recent determination was performed by AON Advisory Pty Ltd, remuneration consultants, in FY2022, where the maximum annual aggregate remuneration is $750,000. For the financial year ended 30 June 2025, the fees payable to the current non- executive Directors have not exceeded $600,000 in aggregate.

For FY25 the annual non-executive Directors’ fees paid by the Company, inclusive of superannuation, were $196,875 to the Chair and $102,375 to each of the other Independent non-executive Directors.

For the financial year ending 30 June 2026, it was approved to increase the annual non-executive Directors’ fees inclusive of superannuation to be $$201,000 to the Chair and $104,550 to each of the other non-executive Directors. No additional fees are paid for chairing or participating in Board sub-committees.

Executive remuneration
The Group rewards executives based on their position and responsibility, with a level and mix of remuneration which has both fixed and variable components:

(i) fixed remuneration consisting of base pay, non-monetary benefits and other remuneration such as superannuation;
(ii) short-term incentives; and
(iii) long-term incentives.

(i) Fixed remuneration
Fixed remuneration, consisting of fixed salary, superannuation and non-monetary benefits, is reviewed annually by the Nomination and Remuneration Committee based on individual and business unit performance, the overall performance of the Group and comparable market remuneration.

(ii) Short-term incentives
The Group currently provides certain members of the senior management team with annual short-term incentives ('STI') payable upon satisfaction of specified performance criteria. These incentives are set out in each KMP service agreements. Payment of STI's in any given year will be determined by the Company and will be conditional upon achievement of role-based performance criteria and the Group's financial performance.

For the year ended 30 June 2025, KMP’s STI was a maximum 60% of fixed salary with:
- 75% based on Financial KPIs - achieving Group revenue and Group adjusted net profit after tax, excluding acquired amortisation expenses ('NPATA') targets; and
- 25% on Personal KPI's – for example customer satisfaction, leadership contribution and product management.

No STI is payable if the performance criteria are not met.

From time to time the Nomination and Remuneration Committee may, at its discretion, recommend to award bonuses which are not linked to any specified performance criteria to certain executives in recognition of work performed.

(iii) Long-term incentives
Long-term incentives include long service leave and share-based payments. Our long-term incentive ('LTI') plan continues during the financial year ended 30 June 2025. Performance rights are awarded to executives over a period of three years based on long-term measures. These include earnings per share ('EPS') targets, recurring revenue per share and cash EBITDA per share targets.

Refer to the section 'Additional information' below for details of the earnings and total shareholders return for the last five years.

Use of remuneration consultants
The Group did not engage any remuneration consultants during the year ended 30 June 2025.

Voting and comments made at the Company's 2024 Annual General Meeting ('AGM')
At the 2024 AGM, 99.88% of the votes received supported the adoption of the remuneration report for the year ended 30 June 2024. The Company did not receive any specific feedback at the AGM regarding its remuneration practices.

Details of remuneration
Details of the remuneration of key management personnel of the Group are set out in the following tables.

The key management personnel of the Group consisted of the following Directors of ReadyTech Holdings Limited:
- Tony Faure - Chair and Independent Non-Executive Director
- Marc Washbourne - Chief Executive Officer
- Timothy Ebbeck - Independent Non-Executive Director
- Helen Lea - Independent Non-Executive Director
- Mark Summerhayes - Non-Executive Director (Mark Summerhayes was an Alternative Non-Executive Director for Tom Matthews until 30 July 2024. Mark Summerhayes was appointed as a Non-Executive Director on 30 July 2024.)
- Tom Matthews - Non-Executive Director (resigned on 30 July 2024)

And the following person:
- Nimesh Shah - Chief Financial Officer

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2025	Cash salary and fees $	Cash bonus $	Annual leave $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Tony Faure	196,875	-	-	-	-	-	196,875
Timothy Ebbeck	102,375	-	-	-	-	-	102,375
Helen Lea	102,375	-	-	-	-	-	102,375
Mark Summerhayes**	93,844	-	-	-	-	-	93,844
Executive Directors:							
Marc Washbourne*	468,752	42,750	(12,935)	29,932	16,383	(119,895)	424,987
Other Key Management Personnel:							
Nimesh Shah*	416,588	37,493	13,235	29,932	(26,708)	(102,172)	368,368
	1,380,809	80,243	300	59,864	(10,325)	(222,067)	1,288,824

* The cash bonuses represent cash accrued based on achievement of FY2025 financial and personal KPIs. As at 30 June 2025, share based payments have been adjusted to reflect that none of the outstanding performance rights were expected to be exercisable on their expiry date.

** Mark Summerhayes' fees reflect a portion of director's fees since the day he joined.

	Short-term benefits			Post-employment benefits	Long-term benefits	Share-based payments	
2024	Cash salary and fees $	Cash bonus $	Annual leave $	Super-annuation $	Long service leave $	Equity-settled $	Total $
Non-Executive Directors:							
Tony Faure	187,000	-	-	-	-	-	187,000
Timothy Ebbeck	97,500	-	-	-	-	-	97,500
Helen Lea**	10,156	-	-	-	-	-	10,156
Elizabeth Crouch AM***	81,250	-	-	-	-	-	81,250
Executive Directors:							
Marc Washbourne*	449,650	-	8,128	27,399	21,921	162,152	669,250
Other Key Management Personnel:							
Nimesh Shah*	396,750	-	(11,938)	27,399	22,291	132,942	567,444
	1,222,306	-	(3,810)	54,798	44,212	295,094	1,612,600

* No cash bonuses approved by the Nomination and Remuneration Committee to Marc Washbourne and Nimesh Shah based on FY2024 financial and personal KPIs.

** Helen Lea's fees reflect a portion of director's fees since the day she joined.

*** Elizabeth Crouch AM's fees reflect a portion of director's fees up to the day she resigned.

The proportion of remuneration linked to performance and the fixed proportion are as follows:

	Fixed remuneration		At risk – STI		At risk – LTI	
Name	2025	2024	2025	2024	2025	2024
Non-Executive Directors:						
Tony Faure	100%	100%	-	-	-	-
Elizabeth Crouch AM	-	100%	-	-	-	-
Timothy Ebbeck	100%	100%	-	-	-	-
Helen Lea	100%	100%	-	-	-	-
Mark Summerhayes	100%	-	-	-	-	-
Executive Directors:						
Marc Washbourne*	92%	76%	8%	-	-	24%
Other Key Management Personnel:						
Nimesh Shah*	92%	77%	8%	-	-	23%

* No % is allocated to LTI due to reversal of the expenses as none of the outstanding performance rights were expected to be exercisable on their expiry date.

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

Name	Cash bonus related to financial year 2025	Cash bonus related to financial year 2024	Cash bonus forfeited related to financial year 2025	Cash bonus forfeited related to financial year 2024
Executive Directors:				
Marc Washbourne	100%	-	-	100%
Other Key Management Personnel:				
Nimesh Shah	100%	-	-	100%

Service agreements
Remuneration and other terms of employment for key management personnel are formalised in service agreements. Details of these agreements are as follows:

Name:	Marc Washbourne
Title:	Chief Executive Officer
Agreement commenced:	13 December 2016
Term of agreement:	No fixed term
Details:	Ongoing contract term with a 6 month notice period. Mr Washbourne’s employment contract provides for short term incentives. Upon the termination of Mr Washbourne’s employment contract, Mr Washbourne will be subject to post employment restraints for up to 12 months.

Name:	Nimesh Shah
Title:	Chief Financial Officer
Agreement commenced:	7 August 2017
Term of agreement:	No fixed term
Details:	Ongoing contract term with a 6 month notice period. Mr Shah’s employment contract provides for short term incentives. Mr Shah has decided to step down from the CFO role on 28 March 2025 and he is currently serving the 6 month notice period.

Key management personnel have no entitlement to termination payments in the event of removal for misconduct.

Share-based compensation

Issue of shares
Details of shares issued to Directors and other key management personnel as part of compensation during the year ended 30 June 2025 are set out below:

Name	Date	Number of Performance rights	Value of options at the exercise date $	Number of Shares	Issue price
Marc Washbourne	25/09/2024	76,421	303,391	76,421	$3.21
Nimesh Shah	25/09/2024	70,118	204,745	70,118	$3.21

Options
There were no options over ordinary shares issued to Directors and other key management personnel as part of compensation that were outstanding as at 30 June 2025.

There were no options over ordinary shares granted to or vested by Directors and other key management personnel as part of compensation during the year ended 30 June 2025.

Performance rights
The terms and conditions of each grant of performance rights over ordinary shares affecting remuneration of Directors and other key management personnel in this financial year or future reporting years are as follows:

Name	Number of rights granted	Grant date	Vesting date and exercisable date	Expiry date	Fair value per right at grant date
Marc Washbourne	47,380	15/11/2022	30/06/2025	30/06/2025	$3.97
	100,334	05/12/2023	30/06/2026	30/06/2026	$3.53
	127,516	19/11/2024	30/06/2027	30/06/2027	$2.88
Nimesh Shah	41,806	11/10/2022	30/06/2025	30/06/2025	$2.92
	88,461	22/09/2023	30/06/2026	30/06/2026	$3.70

Performance rights granted in the financial year ended 30 June 2023
Performance rights were subject to an earnings per share ('EPS') hurdle (50% of grant value) and a recurring revenue per share hurdle (50% of grant value). The conditions associated with these rights were as follows:

- Performance rights will be evaluated in two tranches.
- The first tranche, equivalent to 50% of the total grant value, will be evaluated two years from 1 July 2022 ('the beginning of the performance period').
- The second tranche, also equivalent to 50% of the total grant value, will be evaluated three years from the beginning of the performance period.

Performance hurdles for vesting of the performance rights were as follows:
- EPS - if the compound annual growth rate of EPS is less than the target of 13%, no vesting will occur. If the target is met, 50% of rights will vest. In the event that the compound annual growth rate is between 13-17%, vesting will be pro-rated between 50-100%.
- Recurring revenue per share - if the compound annual growth rate of recurring revenue per share is less than the target of 13%, no vesting will occur. If the target is met, 50% of rights will vest. In the event that the compound annual growth rate is between 13-17%, vesting will be pro-rated between 50-100%.

Performance rights granted in the financial year ended 30 June 2024
Performance rights granted in FY2024 are subject to an earnings per share ('EPS') hurdle (50% of grant value) and a recurring revenue per share hurdle (50% of grant value). These performance rights are evaluated three years from 1 July 2023 ('the beginning of the performance period') against the following hurdles:

- EPS - if the compound annual growth rate of EPS is less than the target of 13%, no vesting will occur. If the target is met, 50% of rights will vest. In the event that the compound annual growth rate is between 13-17%, vesting will be pro-rated between 50-100%.
- Recurring revenue per share - if the compound annual growth rate of recurring revenue per share is less than the target of 13%, no vesting will occur. If the target is met, 50% of rights will vest. In the event that the compound annual growth rate is between 13-17%, vesting will be pro-rated between 50-100%.

Performance rights granted in the financial year ended 30 June 2025
Performance rights granted in FY2025 are subject to a cash EBITDA per share hurdle (50% of grant value) and a recurring revenue per share hurdle (50% of grant value). These performance rights will be evaluated three years from 1 July 2024 (‘the beginning of the performance period’) against the following hurdles:

- EBITDA per share - if the compound annual growth rate of cash EBITDA per share is less than the target of 11%, no vesting will occur. If the target is met, 30% of rights will vest. In the event that the compound annual growth rate is up to 6% above the target, vesting will be pro-rated between 30-100%.
- Recurring revenue per share - if the compound annual growth rate of recurring revenue per share is less than the target of 11%, no vesting will occur. If the target is met, 30% of rights will vest. In the event that the compound annual growth rate is up to 6% above the target, vesting will be pro-rated between 30-100%.

The performance rights are not subject to an exercise price.

Performance rights granted carry no dividend or voting rights.

Performance rights vested on 30 June 2025
Based on the evaluation of the vesting in relation to the second tranche of performance rights granted in the financial year ended 30 June 2023, no performance rights are vested and exercisable as at 30 June 2025.

Additional information
The earnings of the Group for the five years to 30 June 2025 are summarised below:

	2025 $'000	2024 $'000	2023 $'000	2022 $'000	2021 $'000
Sales revenue	121,837	113,802	103,306	78,284	50,027
Adjusted EBITDA*	39,681	37,766	33,039	27,472	18,884
(Loss)/profit after income tax	(16,141)	5,464	4,975	8,794	2,155

* Earnings before interest, tax, depreciation, amortisation and other non-operating items.

The factors that are considered to affect total shareholders return ('TSR') are summarised below:

	2025	2024	2023	2022	2021
Share price at financial year end ($)	2.46	3.25	3.30	3.10	2.40
Basic earnings per share (cents per share)	(13.33)	4.66	4.38	8.28	2.37

Additional disclosures relating to key management personnel

Shareholding
The number of shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Received as part of remuneration*	Additions	Disposals/ other	Balance at the end of the year
Ordinary shares					
Tony Faure	378,819	-	-	-	378,819
Marc Washbourne	4,293,308	76,421	35,000	-	4,404,729
Timothy Ebbeck	31,068	-	-	-	31,068
Tom Matthews	36,644,933	-	-	-	36,644,933
Mark Summerhayes	555,036	-	-	-	555,036
Nimesh Shah	1,296,572	70,118	-	-	1,366,690
Helen Lea	-	-	11,538	-	11,538
	43,199,736	146,539	46,538	-	43,392,813

* Shares received during the year are from the exercise of performance rights.

Performance rights holding
The number of performance rights over ordinary shares in the Company held during the financial year by each Director and other members of key management personnel of the Group, including their personally related parties, is set out below:

	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
Performance rights over ordinary shares					
Marc Washbourne*	255,358	127,516	(76,421)	(31,223)	275,230
Nimesh Shah	228,319	83,876	(70,118)	(111,810)	130,267
	483,677	211,392	(146,539)	(143,033)	405,497

	Vested and exercisable	Vested and unexercisable	Balance vested at the end of the year
Performance rights over ordinary shares			
Marc Washbourne	-	47,380	47,380
Nimesh Shah	-	41,806	41,806
	-	89,186	89,186

* 127,516 performance rights issued under ASX Listing Rule 10.14 with approval from shareholders received at the 2024 Annual General Meeting.

Other transactions with key management personnel and their related parties
There was no transaction with key management personnel and their related parties during the financial year ended 30 June 2025 (2024: none).

This concludes the remuneration report, which has been audited.

Shares under option
There were no unissued ordinary shares of ReadyTech Holdings Limited under option outstanding at the date of this report.

Shares under performance rights
Unissued ordinary shares of ReadyTech Holdings Limited under performance rights at the date of this report are as follows:

Grant date	Expiry date	Number under rights
11/10/2022	30/06/2025	197,627
15/11/2022	30/06/2025	47,380
22/09/2023	30/06/2026	676,551
05/12/2023	30/06/2026	100,334
14/10/2024	30/06/2027	639,807
19/11/2024	30/06/2027	127,516
		1,789,215

The performance rights are not subject to an exercise price.

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

Shares issued on the exercise of options
There were no ordinary shares of ReadyTech Holdings Limited issued on the exercise of options during the year ended 30 June 2025 and up to the date of this report.

Shares issued on the exercise of performance rights
There were no other ordinary shares of ReadyTech Holdings Limited issued on the exercise of performance rights during the year ended 30 June 2025 and up to the date of this report.

Indemnity and insurance of officers
The Company has indemnified the Directors and executives of the Company for costs incurred, in their capacity as a Director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the Company paid a premium in respect of a contract to insure the Directors and executives of the Company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

Indemnity and insurance of auditor
The Company has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Company or any related entity against a liability incurred by the auditor.

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

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.

Non-audit services
Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 29 to the financial statements.

The Directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The Directors are of the opinion that the services as disclosed in note 29 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:
- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants (including Independence Standards) issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as advocate for the Company or jointly sharing economic risks and rewards.

Officers of the Company who are former partners of Deloitte Touche Tohmatsu
There are no officers of the Company who are former partners of Deloitte Touche Tohmatsu.

Rounding of amounts
The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

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

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

On behalf of the Directors

Tony Faure
Chair

27 August 2025
Sydney

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Quay Quarter Tower
50 Bridge Street
Sydney, NSW, 2000
Australia

Phone: +61 2 9322 7000
www.deloitte.com.au

The Directors
ReadyTech Holdings Limited
Level 2
77 King Street
Sydney NSW 2000

27 August 2025

Dear Directors

Auditor's Independence Declaration to ReadyTech Holdings Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of ReadyTech Holdings Limited.

As lead audit partner for the audit of the financial report of ReadyTech Holdings Limited for the year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

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

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

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Sandeep Chadha

Sandeep Chadha
Partner
Chartered Accountants

	Note	Consolidated 2025 $'000	Consolidated 2024 $'000
Revenue from contracts with customers	5	121,837	113,802
Interest revenue calculated using the effective interest method		12	31
Expenses			
Hosting and other direct costs		(7,643)	(7,636)
Employee benefits expense		(64,552)	(61,289)
Third party SaaS variable costs		(4,655)	(2,958)
Depreciation and amortisation expense		(24,561)	(22,859)
Impairment losses of intangible and other assets	6	(21,794)	(247)
Advertising and marketing expenses		(1,417)	(1,286)
Consultancy and professional expenses		(2,469)	(2,085)
Administration expenses		(680)	(905)
Communication and IT expenses		(3,141)	(2,381)
Occupancy costs		(893)	(818)
Gain/(loss) on revaluation of contingent consideration		64	(615)
Other expenses		(1,457)	(1,035)
Finance costs	6	(3,439)	(3,309)
(Loss)/profit before income tax expense		(14,788)	6,410
Income tax expense	7	(1,353)	(946)
(Loss)/profit after income tax expense for the year attributable to the owners of ReadyTech Holdings Limited		(16,141)	5,464
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		245	(77)
Other comprehensive income for the year, net of tax		245	(77)
Total comprehensive income for the year attributable to the owners of ReadyTech Holdings Limited		(15,896)	5,387
		Cents	**Cents**
Basic (loss)/earnings per share	42	(13.33)	4.66
Diluted (loss)/earnings per share	42	(13.33)	4.66

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

	Note	Consolidated 2025 $'000	2024 $'000
Assets			
Current assets			
Cash and cash equivalents	8	19,696	21,867
Trade and other receivables	9	11,094	12,567
Contract assets	10	3,663	2,588
Income tax refund receivable	7	-	1,840
Prepayments		3,186	2,244
Total current assets		37,639	41,106
Non-current assets			
Property, plant and equipment	11	1,979	1,964
Intangibles	12	201,305	210,804
Right-of-use assets	13	3,870	4,590
Contract costs	14	1,309	1,797
Deferred tax assets	7	4,274	1,168
Total non-current assets		212,737	220,323
Total assets		250,376	261,429
Liabilities			
Current liabilities			
Trade and other payables	15	10,050	11,936
Contract liabilities	16	23,540	23,635
Derivative financial liability	17	217	-
Lease liabilities	18	1,554	1,509
Income tax payable	7	947	954
Employee benefits		7,665	7,102
Contingent consideration	19	2,755	17,408
Total current liabilities		46,728	62,544
Non-current liabilities			
Contract liabilities	20	648	722
Borrowings	21	55,941	41,897
Provisions		667	548
Lease liabilities	23	2,983	3,656
Employee benefits		636	493
Contingent consideration	22	1,272	360
Total non-current liabilities		62,147	47,676
Total liabilities		108,875	110,220
Net assets		141,501	151,209
Equity			
Issued capital	24	221,877	211,831
Reserves	25	(82,139)	(78,526)
Retained profits		1,763	17,904
Total equity		141,501	151,209

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

Consolidated	**Issued capital $'000**	**Reserves $'000**	**Retained profits $'000**	**Total equity $'000**
Balance at 1 July 2023	194,292	(78,480)	12,440	128,252
Profit after income tax expense for the year	-	-	5,464	5,464
Other comprehensive income for the year, net of tax	-	(77)	-	(77)
Total comprehensive income for the year	-	(77)	5,464	5,387
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 24)	16,001	(764)	-	15,237
Share-based payments	-	2,333	-	2,333
Exercise of performance rights (note 25)	1,538	(1,538)	-	-
Balance at 30 June 2024	211,831	(78,526)	17,904	151,209

Consolidated	**Issued capital $'000**	**Reserves $'000**	**Retained profits $'000**	**Total equity $'000**
Balance at 1 July 2024	211,831	(78,526)	17,904	151,209
Loss after income tax expense for the year	-	-	(16,141)	(16,141)
Other comprehensive income for the year, net of tax	-	245	-	245
Total comprehensive income for the year	-	245	(16,141)	(15,896)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 24)	8,855	(3,091)	-	5,764
Share-based payments (note 39)	-	424	-	424
Exercise of performance rights (note 25)	1,191	(1,191)	-	-
Balance at 30 June 2025	221,877	(82,139)	1,763	141,501

	Note	Consolidated 2025 $'000	2024 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		129,359	125,667
Payments to suppliers and employees (inclusive of GST)		(98,838)	(87,367)
		30,521	38,300
Interest received		12	27
Interest and other finance costs paid		(3,019)	(3,013)
Income taxes paid		(3,456)	(3,720)
Net cash from operating activities	38	24,058	31,594
Cash flows from investing activities			
Payment for purchase of subsidiaries, net of cash acquired		(3,859)	(72)
Payments for contract costs		(446)	(464)
Payments for property, plant and equipment		(980)	(420)
Payments for intangibles	12	(19,052)	(17,454)
Payment of contingent consideration		(14,067)	(5,263)
Payment of acquisition costs		(137)	-
Net cash used in investing activities		(38,541)	(23,673)
Cash flows from financing activities			
Proceeds from/(repayment of) borrowings	21	14,000	(5,000)
Repayment of lease liabilities		(1,688)	(1,670)
Net cash from/(used in) financing activities		12,312	(6,670)
Net (decrease)/increase in cash and cash equivalents		(2,171)	1,251
Cash and cash equivalents at the beginning of the financial year		21,867	20,616
Cash and cash equivalents at the end of the financial year	8	19,696	21,867

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

Note 1. General information

The financial statements cover ReadyTech Holdings Limited as a Group consisting of ReadyTech Holdings Limited ('Company or 'parent entity') and the entities it controlled at the end of, or during, the period (collectively referred to in these financial statements as the 'Group'). The financial statements are presented in Australian dollars, which is ReadyTech Holdings Limited's functional and presentation currency.

ReadyTech Holdings Limited is a listed public Company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 2, 77 King Street
Sydney
NSW 2000
Australia

A description of the nature of the Group's operations and its principal activities are included in the Directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 27 August 2025. The Directors have the power to amend and reissue the financial statements.

Note 2. Material accounting policy information

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

The following Accounting Standard and interpretations is most relevant to the Group:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current and AASB 2022-6 Amendments to Australian Accounting Standards - Non-current Liabilities with Covenants
The Group has adopted AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current (AASB 101) and AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants (AASB 101 and AASB Practice Statement 2), as issued in 2020 and 2022.

These standards amend AASB 101 'Presentation of Financial Statements' to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. The amendments clarify that a liability is classified as non-current if an entity has the right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period. If the deferral right is subject to the entity complying with covenants in the loan arrangement based on information up to and including reporting date, the deferral right will exist where the entity is able to comply with the covenant on or before the end of the reporting date even if compliance is assessed after the reporting date. The deferral right will be deemed to exist at reporting date if the entity is required to comply with the covenant only after the reporting date based on post-reporting date information. Additional disclosure is required about loan arrangements classified as non-current liabilities in such circumstances which enables users of financial statements to understand the risk that the liabilities could become repayable within twelve months after the reporting period. Classification of a liability as non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement of the liability for at least 12 months after the reporting date or even if the entity settles the liability prior to issue of the financial statements. The meaning of settlement of a liability is also clarified.

These amendments did not have any impact on the Group's financial statements.

Note 2. Material accounting policy information (continued)

Deficiency of net current assets
The statement of financial position has a deficiency of net current assets of $9,089,000 (2024: $21,438,000) at the reporting date. The deficiency is mainly attributable to (i) contract liabilities of $23,540,000 (2024: $23,635,000) disclosed in current liabilities, which represents upfront payments received from customers on signed sales contracts which will not result in an outflow of cash within the next twelve months; (ii) an amount of $7,665,000 for employee benefits (2024: $7,102,000) is included in current liabilities, for which the majority of this liability is not expected to be settled in cash within the next twelve months.

The Directors are satisfied that the Group will be able to meet its working capital requirements through the normal cyclical nature of receipts and payments and budgeted cash flows generated from operations.

Basis of preparation
Statement of compliance
These general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for derivatives and contingent consideration at fair value through profit or loss.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 34.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of ReadyTech Holdings Limited as at 30 June 2025 and the results of all subsidiaries for the period then ended.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group has the power over the investee, 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 de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Accounting policies of subsidiaries have been changed 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.

Operating segments
Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Foreign currency translation
The financial statements are presented in Australian dollars, which is ReadyTech Holdings Limited's functional and presentation currency.

Note 2. Material accounting policy information (continued)

Foreign currency transactions
Foreign currency transactions are translated into the entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Note 2. Material accounting policy information (continued)

Revenue recognition
The principal activities of the Group are to provide technology-based solutions to its customers that are organized into three reportable operating segments: Education and Work Pathways, Workforce Solutions and Government and Justice.

Main products of the Group:

Segment	Main Product	Description
Education and Work Pathways	JR Plus, AVAXA Ready LMS, Paradigm	JR Plus, AVAXA, Ready LMS and Paradigm are ReadyTech's student management system empowering enterprise tertiary educators to create digital student experiences and to adhere to strict compliance standards.
	VeTtrak, including VETtrak Cloud Ready Skills	VETtrak is a student management system for Registered Training Organisations (RTOs). Ready Skills provides vocational skills tracking, recognition, planning and assessment technology.
	Job Ready, Ready Recruit and Job Apprentice	Job Ready, Ready Recruit and Job Apprentice exists to help employment services providers, Group Training Organisations (GTOs) and Australian Apprenticeship Support Network (AASN) provides to support the completion of apprenticeship lifecycle and deliver work opportunities for jobseekers and customers.
Workforce Solutions	Ready Workforce	Ready Workforce is an all-in-one cloud payroll, HR and talent, rostering, time & attendance and leave management software platform.
	Ready Employ	Ready Employ by Phoenix is a cloud-based talent management system with everything entities need to manage their leases' processes online, easily.
	Ready Pay	Ready Pay provides people management software, combined with an end-to-end payroll outsourcing service, with local payroll experts providing customers with payroll, HR administration and workplace health & safety software and services.
Government Justice and Procurement	Ready Community	Ready Community is provider of high function, integrated, statutory and compliance management systems for local government. Ready Community is the fully integrated solution that covers financials, property and Rating, HR & payroll, asset management, licensing & compliance, customer experience, business intelligence, procurement.
	Ready Case	Ready Case is the market leader in case management systems for courts, tribunals and related justice sector agencies.
	Ready Contracts and Ready Buy	Ready Contracts and Ready Buy are designed as procurement software suite to support distributed procurement and commercial operations to procure goods and services efficiently, cost effectively, and at reduced risk, while reducing workload on centralised procurement.
	Synergysoft	SynergySoft is a legacy product suite used by local governments, which can be fully integrated with Altus solutions.

The revenue recognition accounting policies below apply to the Group's products as summarised in the above table.

Note 2. Material accounting policy information (continued)

Revenue is recognised upon transfer of control of promised products and services to customers at an amount that reflects the consideration to which the Group is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Group: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand- alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Contracts with customers can include various combinations of subscription fees and services, which are in certain circumstances bundled and in other circumstances are capable of being distinct and accounted for as separate performance obligations. Where a contract with multiple performance obligations that is not bundled, the revenue associated with each obligation is calculated based on its relative stand-alone selling price.

Revenue is recognised over time if:

- the customer simultaneously receives and consumes the benefits as the Group performs;
- the customer controls the asset as the Group creates or enhances it; or
- the Group's performance does not create an asset for which the Group has an alternative use; and
- there is a right to payment for performance to date.

Where the above criteria is not met, revenue is recognised at a point in time when control transfers.

The Group earns its revenues from two main sources:
a. Subscription, licences and hosting fees
b. Training, consultancy and other services

Subscription, licence and hosting fees
Subscription revenues represent revenues earned from customers accessing the cloud-based products hosted by the Group. Customers gain access to use the Group's cloud-based products without taking possession of the software. Customers pay a fixed subscription fee over the contract term. Subscription contracts are sold along with configuration and/or customisation and hosting services.

For some large enterprise contracts, the contract may include customisation of the software for the customer's specific use. Product customisation covers services to create new functions or features and special customisation of the standard reports to meet the customer's need. Customisation service is critical to the functioning of the software for the customer's specific use. A customer is not able to fully benefit from the software without the required software customisation. Knowledge on how to modify the software code or writing additional code is proprietary of the Group and only the Group can perform this service. Therefore, there are no other readily available resources for the customer to obtain the benefit from the software customisation prior to accessing the product.

Hosting revenues represent revenues earned from providing the cloud-based hosting service for the service components, storage infrastructure, operating and database software.

The Group has assessed and concluded that the sale of subscription and hosting services together are not separately distinct as they represent a bundled service to use the Group's cloud-based product over the contract term. Hence, the Group considers the sale of subscription fees, customisation and hosting services as a single performance obligation. Revenues are recognised over time on a straight-line basis over the term of the subscription period, as the customers simultaneously receive and consume the benefits of accessing the product and services. The Group's subscription revenues do not contain refund-type provisions.

Costs incurred and payments received from the customer for customisation services prior to the commencement of the subscription period are deferred on the balance sheet and recognised in the profit or loss on a straight-line basis over the term of the subscription period.

Licences and hosting fees
Licence revenues represent revenues from the sales of on-premise products. These products are hosted in the customer's infrastructure environment. These products are not tailored for customer use throughout the duration of the contact and no maintenance/ training services are included.

Note 2. Material accounting policy information (continued)

When a licence is purchased by a customer, there is an optionality for the customers to also purchase hosting services for an agreed term. Where a licence is sold with these hosting services, each good or service is considered to be a distinct performance obligation because the customer can benefit from the use of the software without the provision of the hosting services.

Revenue is recognised at the point in time when the customer has purchased the licence as control of the software has transferred at that point. Revenue is recognised for the provision of hosting service over time on a straight line basis over the agreed term. This is because the customer is deemed to simultaneously receive and consume the benefits provided by the Group's performance of the hosting service as it is performed during the contract term.

Training, consultancy and other services
Training revenues represent revenues earned from providing in-depth training on the product, refresher courses or induction for new users of the product.

Consultancy and other services revenue represent revenues earned from providing consultation services such as business process mapping, project management of change projects, best practice of business process.

The Group has assessed and concluded that revenues from training, consultancy and other services are able to be provided by a third party supplier or can be consumed by the customer on its own or with readily available resources. Therefore, training, consultancy and other services are considered to be distinct performance obligations.

Training, consultancy and other services revenue is charged to the customer either on a time and materials basis or as a fixed price. Revenue is recognised as the services are rendered over time on a proportional basis using an input method, being time or cost, depending on the terms and conditions of the customer contract.

Summary of revenue recognition:

Revenue categories	**Performance obligation**	**Timing of revenue recognition**
Subscription fees	Provide access to the Group's intellectual property over the agreed period	Over time on a straight-line basis across the customer's subscription term.
Customisation services	Services to customise the product to meet the customers' requirements or specifications; bundled with subscription fees	Over time on a straight-line basis across the customer's subscription term.
Hosting fees - subscription	Provision of cloud-based hosting services over the agreed period bundled with subscription fees	Over time on a straight-line basis across the customer's subscription term.
Licence fees	Sale of a software licence	At the point of sale.
Hosting fees - licence	Provision of cloud-based hosting services over the agreed period	Over time as the services are rendered.
Training services	Services to provide training to the users	Over time as the services are rendered.
Consultancy services	Service includes services for software and project services	Over time as the services are rendered.

Note 2. Material accounting policy information (continued)

Principal vs agent
For selected products, the Group collaborates with third parties software providers or consultants in completing the performance obligations as per customer contracts. The Group is acting as a principal when it controls the provision of the third party product or implementation service before the product or service is transferred to the customer. In the contract with a customer, the Group has control over the establishment of pricing, including determining pricing for the third party products and services. The Group is also primarily responsible for fulfilling the promise to provide the third party products to the customer and assumes fulfilment risk such as addressing customer support requests and rectifying any service issues.

Contract assets/ liabilities
Timing of revenue recognition may differ from the timing of invoicing to customers. Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognized when customer pays the consideration in advance, or when the Group recognizes a receivable to reflect its unconditional right to consideration (whichever earlier) before the Group has transferred the goods or services to the customer.
Contract liabilities comprise mainly of unearned revenue related to subscription licences fees that are not refundable. Contract liabilities are generally invoiced at the beginning of each contract period.
Contract assets represent unbilled revenue for goods and services that have been provided to customers but not yet billed. When corresponding payment milestones are met, contract assets are released to trade receivables. Contract assets are treated as financial assets for impairment purposes.

Contract costs
Incremental costs incurred in obtaining a contract
Costs incurred in obtaining the customer contract are expensed, unless they are incremental to obtaining the contract and the Group expects to recover those costs. Costs that meet the criteria for capitalisation will be amortised over the life of the contract that they relate to. The Group has identified certain sales commission costs as meeting the criteria of directly related contract costs. These costs are capitalised in the month in which they are incurred and amortised over the contract term.

Costs to fulfil a contract
Employee costs related to a contract of which product customisation is performed for a specific customer and the corresponding revenues are recognized over the contract terms, are capitalised in the month in which they are incurred and amortised over the contract term.

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 the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:
- when the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- when the taxable temporary difference is associated with interests in subsidiaries and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Note 2. Material accounting policy information (continued)

ReadyTech Holdings Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Current and non-current classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realised or intended to be sold or consumed in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Group's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no right at the end of the reporting period to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

Trade and other receivables
Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The Group has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

Receivables from related parties and other receivables are recognised at amortised cost, less any provision for impairment.

Property, plant and equipment
Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line or diminishing value basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	3-5 years
Fixtures and fittings	3-10 years
Computer equipment	3-5 years
Office equipment	3-5 years

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

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

Note 2. Material accounting policy information (continued)

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the Group. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

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

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

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

Intangible assets
Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the derecognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Research costs are expensed in the period in which they are incurred.

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.

Patents and trademarks
Significant costs associated with patents and trademarks are capitalised as an asset. These costs are not subsequently amortised. Instead, patents and trademarks are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. They are carried at cost less accumulated impairment losses. Management consider patents and trademarks to have indefinite useful lives because the potential to generate cash flows is unlimited.

Customer relationships
Customer relationships acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite useful life between 9 and 14 years.

Software
An intangible asset arising from software development expenditure on an internal project is recognised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development. Following the initial recognition, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Significant costs associated with the acquisition of software or software internally developed is amortised on a straight-line basis over the period of its expected benefit, being a finite useful life of between 5 and 10 years. Amortisation commences when the asset is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Note 2. Material accounting policy information (continued)

Impairment of non-financial assets
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows 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 cash flows are grouped together to form a cash-generating unit.

Contract liabilities
Contract liabilities are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier), before the Group has transferred the goods or provided the services to the customer. The liability is the Group's obligation to transfer goods or provide services to a customer from which it has received consideration.

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

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 Group's 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.

The 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 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; lease term; certainty of a purchase option 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.

Provisions
Provisions are recognised when the Group has a present (legal or constructive) obligation as a result of a past event, it is probable the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognised as a finance cost.

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 wholly 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 at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Note 2. Material accounting policy information (continued)

Defined contribution superannuation expense
Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Share-based payments
Equity-settled share-based compensation benefits are provided to employees.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services.

The cost of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using either the Binomial or Black-Scholes option pricing model 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 Group 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 are 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.

The cost of cash-settled transactions is initially, and at each reporting date until vested, determined by applying either the Binomial or Black-Scholes option pricing model, taking into consideration the terms and conditions on which the award was granted. The cumulative charge to profit or loss until settlement of the liability is calculated as follows:
- during the vesting period, the liability at each reporting date is the fair value of the award at that date multiplied by the expired portion of the vesting period.
- from the end of the vesting period until settlement of the award, the liability is the full fair value of the liability at the reporting date.

All changes in the liability are recognised in profit or loss. The ultimate cost of cash-settled transactions is the cash paid to settle the liability.

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 equity-settled awards are modified, as a minimum an expense is recognised as if the modification has not been made. An additional expense is recognised, over the remaining vesting period, for any modification that increases the total fair value of the share-based compensation benefit as at the date of modification.

If the non-vesting condition is within the control of the Group or employee, the failure to satisfy the condition is treated as a cancellation. If the condition is not within the control of the Group 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 is treated as if they were a modification.

Fair value measurement
When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Note 2. Material accounting policy information (continued)

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Issued capital
Ordinary shares are classified as equity.

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

Business combinations
The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired.

The consideration transferred is the sum of the acquisition-date fair values of the assets transferred, equity instruments issued or liabilities incurred by the acquirer to former owners of the acquiree and the amount of any non-controlling interest in the acquiree. For each business combination, the non-controlling interest in the acquiree is measured at either fair value or at the proportionate share of the acquiree's identifiable net assets. All acquisition costs are expensed as incurred to profit or loss.

On the acquisition of a business, the Group assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic conditions, the Group's operating or accounting policies and other pertinent conditions in existence at the acquisition-date.

Contingent consideration to be transferred by the acquirer is recognised at the acquisition-date fair value. Subsequent changes in the fair value of the contingent consideration classified as a liability is recognised in profit or loss. Contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity.

The difference between the acquisition-date fair value of assets acquired, liabilities assumed and any non-controlling interest in the acquiree and the fair value of the consideration transferred and the fair value of any pre-existing investment in the acquiree is recognised as goodwill. If the consideration transferred and the pre-existing fair value is less than the fair value of the identifiable net assets acquired, being a bargain purchase to the acquirer, the difference is recognised as a gain directly in profit or loss by the acquirer on the acquisition-date, but only after a reassessment of the identification and measurement of the net assets acquired, the non-controlling interest in the acquiree, if any, the consideration transferred and the acquirer's previously held equity interest in the acquirer.

Business combinations are initially accounted for on a provisional basis. The acquirer retrospectively adjusts the provisional amounts recognised and also recognises additional assets or liabilities during the measurement period, based on new information obtained about the facts and circumstances that existed at the acquisition-date. The measurement period ends on either the earlier of (i) 12 months from the date of the acquisition or (ii) when the acquirer receives all the information possible to determine fair value.

Note 2. Material accounting policy information (continued)

Business combinations under common control
Common control transactions are specifically scoped out of AASB 3 'Business Combinations'. Common control transactions are accounted for in the consolidated financial statements prospectively from the date of obtaining the ownership interest. The Directors have elected to use existing book values of assets and liabilities of the entities subject to the business combination and record the difference between the purchase price paid by the Company and the existing book value of the entity acquired immediately prior to the business combination as a reserve. Where equity instruments are issued as part of the consideration, the value of the instruments is their market price as at the acquisition date. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Earnings per share

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of ReadyTech Holdings Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued 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 additional ordinary shares that would have been outstanding assuming conversion of all dilutive potential ordinary shares.

Goods and Services Tax ('GST') and other similar taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of amounts
The Company is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

Comparatives
Comparatives have been realigned where necessary, to be consistent with current year presentation. There was no effect on profit, net assets, or equity.

New Accounting Standards and Interpretations not yet mandatory or early adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Group for the annual reporting period ended 30 June 2025. The Group's assessment of the impact of these new or amended Accounting Standards and Interpretations, most relevant to the Group, are set out below.

Note 2. Material accounting policy information (continued)

AASB 18 Presentation and Disclosure in Financial Statements
This standard is applicable to annual reporting periods beginning on or after 1 January 2027, with early adoption permitted. The standard replaces AASB 101 'Presentation of Financial Statements', although many of the requirements have been carried forward unchanged and is accompanied by limited amendments to the requirements in AASB 107 'Statement of Cash Flows'. The standard requires income and expenses to be classified into five categories: 'Operating' (residual category if income and expenses are not classified into another category), 'Investing', 'Financing', 'Income taxes' and 'Discontinued operations'. The standard introduces two mandatory sub-totals: 'Operating profit' and 'Profit before finance and income taxes'. There are also new disclosure requirements for 'management-defined performance measures', such as earnings before interest, taxes, depreciation and amortisation ('EBITDA') or 'adjusted profit'. The standard provides enhanced guidance on how to organise and group information (aggregation and disaggregation) in the financial statements and whether to provide it in the primary financial statements or in the notes.

The Group will adopt this standard from 1 July 2027 and it is expected that there will be a significant change to the layout of the statement of profit or loss and other comprehensive income.

AASB 2014-10 Sale or contribution of assets between investor and its associate or joint venture
AASB 2014-10 was issued in December 2014 and is applicable for annual reporting periods beginning on or after 1 January 2025 (as extended by AASB 2021-7). Early adoption is permitted.

This standard makes amendments to AASB 10 'Consolidated Financial Statements' and AASB 128 'Investments in Associates and Joint Ventures' to clarify the extent to which gains or losses are recognised when accounting for sales or contributions of assets between an investor and its associate or joint venture. The standard requires that a full gain or loss is recognised when the transaction involves a business whilst a partial gain or loss is recognised when the transaction involves assets that do not constitute a business.

The Group does not expect these amendments to have a material impact.

Note 3. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Goodwill and other indefinite life intangible assets
The Group tests annually, or more frequently if events or changes in circumstances indicate impairment, whether goodwill and other indefinite life intangible assets have suffered any impairment, in accordance with the accounting policy stated in note 2. 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. Refer to note 12 for further information.

Impairment of non-financial assets other than goodwill and other indefinite life intangible assets
The Group assesses impairment of non-financial assets other than goodwill and other indefinite life intangible assets at each reporting date by evaluating conditions specific to the Group and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions. Refer to note 12 for further information.

Note 3. Critical accounting judgements, estimates and assumptions (continued)

Contingent consideration
The contingent consideration liability is the difference between the total purchase consideration, usually on an acquisition of a business combination, and the amounts paid or settled up to the reporting date, discounted to net present value. The Group applies provisional accounting for any business combination. Any reassessment of the liability during the earlier of the finalisation of the provisional accounting or 12 months from acquisition-date is adjusted for retrospectively as part of the provisional accounting rules in accordance with AASB 3 'Business Combinations'. Thereafter, at each reporting date, the contingent consideration liability is reassessed against revised estimates and any increase or decrease in the net present value of the liability will result in a corresponding gain or loss to profit or loss. The increase in the liability resulting from the passage of time is recognised as a finance cost. Refer to notes 28, 36 and 39 for further information.

Capitalised software development expenditure
Software development expenditure have been capitalised only when the Group can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant software. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

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.

Revenue recognition
For some large enterprise contracts, product customisation service is typically bundled with the implementation, training, consulting and other services into a single performance obligation. Management uses judgements and estimates in allocating the transaction price to different revenue streams which have more than one performance obligation. Allocation of the transaction price is determined based on the estimated costs of satisfying the performance obligation and then adds an appropriate margin.

Note 4. Operating segments

Identification of reportable operating segments
The Group is organised into three reportable operating segments: Education and Work Pathways, Workforce Solutions and Government Justice and Procurement. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors and Key Management Personnel (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources.

The CODM reviews adjusted EBITDA (earnings before interest, tax, depreciation and amortisation adjusted for non-cash and significant items). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Note 4. Operating segments (continued)

Types of products and services
The principal products and services of each of these operating segments are as follows:

Education and Work Pathways	mainly provides products and services to tertiary education providers. Core products are its cloud-based student management systems (SMS) and learning management systems (LMS) for education and training providers to manage the student lifecycle from student enrolment to course completion. ReadyTech also provides platforms to help state governments manage vocational education and training (VET) programs, software platforms for the pathways and back-to-work sector to manage apprentices and job seekers, and a competency assessment and skills profiling tools to track on-the-job training through a qualification.
Workforce Solutions	provides products and services to mid-sized company across various industries with payroll software, outsourced payroll services, human resource management (HRM) and recruitment software solutions to employers to assist them with payroll and the management of their employees. HRM consists of human resource (HR) administration and talent management. HR administration involves employee records, workplace health and safety (WHS) and organisational structure.
Government Justice and Procurement	provides government and justice case management software as a service solutions to local governments, state governments and justice departments. Core products in asset management, property, licensing and compliance, finance, procurement, HR and payroll, customer management and courts and justice.

Refer to note 5 for disclosure of revenues from external customers for these principal products and services.

Intersegment transactions
No intersegment transactions were made during the year ended 30 June 2025 (30 June 2024: $nil).

Intersegment receivables, payables and loans
Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation.

Major customers
During the years ended 30 June 2025 and 30 June 2024, no single customer contributed 10% or more to the Group's external revenue.

Operating segment information

Consolidated - 2025	Education and Work Pathways $'000	Workforce Solutions $'000	Government Justice and Procurement $'000	Corporate $'000	Total $'000
Revenue					
Sales to external customers	43,574	34,590	43,673	-	121,837
Adjusted EBITDA	19,279	12,554	11,995	(4,147)	39,681
Contingent consideration charged as employee expenses and fair value adjustments					(1,579)
Integration, restructuring and acquisition related transaction cost					(3,108)
Impairment losses of intangible and other assets					(21,794)

Note 4. Operating segments (continued)

	Total $'000
EBITDA	13,200
Depreciation and amortisation	(24,561)
Interest revenue	12
Finance costs	(3,439)
Profit before income tax expense	(14,788)
Income tax expense	(1,353)
Profit after income tax expense	(16,141)

Consolidated - 2024	Education and Work Pathways $'000	Workforce Solutions $'000	Government Justice and Procurement $'000	Corporate $'000	Total $'000
Revenue					
Sales to external customers	40,550	30,742	42,510	-	113,802
Adjusted EBITDA	18,117	11,062	12,324	(3,737)	37,766
Contingent consideration charged as employee expenses and fair value adjustments					(2,409)
Integration, restructuring and acquisition related transaction cost					(2,583)
Employee share gifts					(227)
EBITDA					32,547
Depreciation and amortisation					(22,859)
Interest revenue					31
Finance costs					(3,309)
Profit before income tax expense					6,410
Income tax expense					(946)
Profit after income tax expense					5,464

All assets and liabilities, including taxes are not allocated to the operating segments as CODM reviews and manages on an overall group basis.

The Group operates predominantly in Australia and New Zealand regions.

Note 5. Revenue from contracts with customers

	Consolidated 2025 $'000	Consolidated 2024 $'000
Revenue from contracts with customers	121,837	113,802

Disaggregation of revenue
The disaggregation of revenue from contracts with customers is as follows:

Consolidated - 2025	Education and Work Pathways $'000	Workforce Solutions $'000	Government Justice and Procurement $'000	Total $'000
Major product lines				
Subscription, licence and hosting	36,470	31,084	35,113	102,667
Training, consultancy and other	7,104	3,506	8,560	19,170
	43,574	34,590	43,673	121,837

Note 5. Revenue from contracts with customers (continued)

Consolidated - 2024	Education and Work Pathways $'000	Workforce Solutions $'000	Government Justice and Procurement $'000	Total $'000
Major product lines				
Subscription, licence and hosting	34,150	27,422	33,836	95,408
Training, consultancy and other	6,400	3,320	8,674	18,394
	40,550	30,742	42,510	113,802

Note 6. Expenses

	Consolidated	
	2025 $'000	**2024 $'000**
(Loss)/profit before income tax includes the following specific expenses:		
Impairment		
Impairment of goodwill and other assets	21,794	247
Finance costs		
Interest and finance charges paid/payable on borrowings	3,073	3,037
Interest charges on lease liability	266	272
Interest charges on contingent consideration	100	-
Finance costs expensed	3,439	3,309
Superannuation expense		
Defined contribution superannuation expense	6,641	5,728
Share-based payments expense		
Share-based payments expense	424	2,333

Note 7. Income tax

	Consolidated	
	2025 $'000	2024 $'000
Income tax expense		
Current tax	5,035	7,258
Deferred tax - origination and reversal of temporary differences	(3,709)	(5,264)
Adjustment recognised for prior periods	27	(1,048)
Aggregate income tax expense	1,353	946
Deferred tax included in income tax expense comprises:		
Increase in deferred tax assets	(3,709)	(5,264)
Numerical reconciliation of income tax expense and tax at the statutory rate		
(Loss)/profit before income tax expense	(14,788)	6,410
Tax at the statutory tax rate of 30%	(4,436)	1,923
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Research and development ('R&D') expenses	1,760	2,106
Research and development tax offset	(2,763)	(3,068)
Impairment of goodwill	5,970	-
Other non-deductible expenditure	795	1,033
	1,326	1,994
Adjustment recognised for prior periods	27	(1,048)
Income tax expense	1,353	946

Note 7. Income tax (continued)

	Consolidated 2025 $'000	Consolidated 2024 $'000
Deferred tax asset		
Deferred tax *asset* comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Allowance for expected credit losses	452	222
Labour capitalisation	(2,555)	(3,841)
Contract liabilities	7,262	7,489
Employee benefits	2,361	2,221
Accrued expenses	1,308	1,021
Software	4,796	3,636
Customer relationships	(7,591)	(7,865)
Brand names	(141)	(139)
Property, plant and equipment	(472)	(757)
Acquisition related costs	139	255
Right-of-use assets	(923)	(1,377)
Lease liabilities	1,132	1,563
Contract costs	(1,557)	(1,299)
Other	63	39
Deferred tax asset	4,274	1,168
Movements:		
Opening balance	1,168	(2,718)
Credited to profit or loss	3,709	5,264
Additions through business combinations	(742)	(153)
Adjustment recognised for prior periods	-	(62)
Adjustment related to prior period R&D tax offset lodgement	139	(1,163)
Closing balance	4,274	1,168

	Consolidated 2025 $'000	Consolidated 2024 $'000
Income tax refund due		
Income tax refund due – Australia entities	-	1,840

	Consolidated 2025 $'000	Consolidated 2024 $'000
Income tax payable		
Income tax payable	947	954

As at 30 June 2025, the Group has capital losses totalling $2,996,000 (2024: $2,996,000) which have not been recognised in the statement of financial position as the recovery of this benefit is uncertain.

During the year ended 30 June 2025, the Group received the 2023 and 2021 income tax refunds from the Australian Tax Office amounting to $1,294,000.

Note 8. Current assets - cash and cash equivalents

	Consolidated 2025 $'000	Consolidated 2024 $'000
Cash at bank	19,499	21,671
Cash on deposit	197	196
	19,696	21,867

Note 9. Current assets - trade and other receivables

	Consolidated 2025 $'000	Consolidated 2024 $'000
Trade receivables	12,202	13,059
Less: Allowance for expected credit losses	(1,287)	(739)
	10,915	12,320
Other receivables	179	247
	11,094	12,567

Trade receivables are non-interest bearing and are on 30 day credit term.

Allowance for expected credit losses
The Group has recognised a loss of $1,117,000 in profit or loss in respect of impairment of receivables for the year ended 30 June 2025 (2024: $247,000).

The ageing of the receivables and allowance for expected credit losses provided for above are as follows:

	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
Consolidated	2025 %	2024 %	2025 $'000	2024 $'000	2025 $'000	2024 $'000
Not overdue	2.73%	2.14%	5,777	7,653	158	164
0 to 3 months overdue	3.72%	3.00%	4,068	4,113	151	123
3 to 6 months overdue	11.37%	18.93%	806	752	92	142
Over 6 months overdue	57.13%	57.30%	1,551	541	886	310
			12,202	13,059	1,287	739

Movements in the allowance for expected credit losses are as follows:

	Consolidated 2025 $'000	Consolidated 2024 $'000
Opening balance	739	574
Additional provisions recognised	1,117	247
Additions through business combinations	541	13
Receivables written off during the year as uncollectable	(1,110)	(95)
Closing balance	1,287	739

Note 9. Current assets - trade and other receivables (continued)

In determining the recoverability of a trade receivable, the Group considers any change in the credit quality of the trade receivable from the date credit was initially granted up to the reporting date. The concentration of credit risk is limited due to the customer base being large and unrelated.

Note 10. Current assets - contract assets

	Consolidated 2025 $'000	Consolidated 2024 $'000
Contract assets	3,663	2,588

Reconciliation
Reconciliation of the written down values at the beginning and end of the current and previous financial year are set out below:

	2025 $'000	2024 $'000
Opening balance	2,588	1,489
Additions, net	6,835	5,706
Transfer to trade receivables	(5,760)	(4,607)
Closing balance	3,663	2,588

Allowance for expected credit losses
The allowance for expected credit losses on contract assets for the year ended 30 June 2025 is $nil (2024: $nil).

Note 11. Non-current assets - property, plant and equipment

	Consolidated 2025 $'000	Consolidated 2024 $'000
Leasehold improvements - at cost	2,493	1,979
Less: Accumulated depreciation	(1,057)	(662)
	1,436	1,317
Fixtures and fittings - at cost	241	354
Less: Accumulated depreciation	(191)	(288)
	50	66
Computer equipment - at cost	2,208	1,987
Less: Accumulated depreciation	(1,730)	(1,416)
	478	571
Office equipment - at cost	307	225
Less: Accumulated depreciation	(292)	(215)
	15	10
	1,979	1,964

Note 11. Non-current assets - property, plant and equipment (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Leasehold improve-ments $'000	Fixtures and fittings $'000	Computer equipment $'000	Office equipment $'000	Total $'000
Balance at 1 July 2023	1,321	121	767	20	2,229
Additions	381	2	263	-	646
Exchange differences	-	-	-	(1)	(1)
Depreciation expense	(385)	(57)	(459)	(9)	(910)
Balance at 30 June 2024	1,317	66	571	10	1,964
Additions	428	5	323	12	768
Additions through business combinations	107	-	-	-	107
Exchange differences	-	(1)	(8)	2	(7)
Depreciation expense	(416)	(20)	(408)	(9)	(853)
Balance at 30 June 2025	1,436	50	478	15	1,979

Note 12. Non-current assets - intangibles

	Consolidated 2025 $'000	Consolidated 2024 $'000
Goodwill - at cost	132,406	125,329
Less: Impairment	(19,900)	-
	112,506	125,329
Patents and trademarks - at cost	471	464
Customer relationships - at cost	48,392	45,108
Less: Accumulated amortisation	(23,081)	(18,912)
	25,311	26,196
Software - at cost	137,100	116,116
Less: Accumulated amortisation	(74,083)	(57,301)
	63,017	58,815
	201,305	210,804

Note 12. Non-current assets - intangibles (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Goodwill $'000	Patents and trademarks $'000	Customer relationships $'000	Software $'000	Total $'000
Balance at 1 July 2023	125,360	1,660	29,894	55,597	212,511
Additions*	-	-	-	17,454	17,454
Additions through business combinations	-	-	602	-	602
Exchange differences	(31)	(2)	-	(34)	(67)
Amortisation expense	-	(1,194)	(4,300)	(14,202)	(19,696)
Balance at 30 June 2024	125,329	464	26,196	58,815	210,804
Additions*	-	-	-	19,052	19,052
Additions through business combinations (note 36)**	6,967	-	3,273	2,204	12,444
Exchange differences	110	7	28	16	161
Impairment of assets	(19,900)	-	-	-	(19,900)
Amortisation expense	-	-	(4,186)	(17,070)	(21,256)
Balance at 30 June 2025	112,506	471	25,311	63,017	201,305

* Additions of software during the financial year ended 30 June 2025 include internally generated assets of $18,302,000 (2024: $17,033,000) and assets externally acquired amounting to $750,000 (2024: $421,000).
** Additions through business combinations predominantly related to acquisition of CouncilWise Pty Ltd.

Impairment testing
Goodwill acquired through business combinations has been allocated to the following groups of cash generating units ('CGU'):

	Consolidated	
	2025 $'000	**2024 $'000**
Education and Work Pathways	23,806	19,286
Workforce Solutions	15,606	15,496
Government Justice and Procurement	73,094	90,547
	112,506	125,329

Goodwill and the group of CGUs to which it belongs is tested annually for impairment or at the end of each reporting period where an indicator of impairment exists. As at 31 December 2024, management performed an impairment assessment on the Government Justice and Procurement CGU to determine whether the carrying amount of assets exceeded its recoverable amount. As a result an impairment of $19,900,000 was recorded during the half-year ended 31 December 2024, as detailed below.

For the other two CGUs, based on current economic conditions and CGU performance, there are no indications that the recoverable amount is below the net carrying amount of the assets and would result in material impairment to the Group.

The recoverable amount of the group of CGUs is the greater of its value in use and its fair value less costs of disposal.

Note 12. Non-current assets - intangibles (continued)

Government Justice and Procurement segment
During the half-year ended 31 December 2024, the Government Justice and Procurement segment underwent a restructuring process aimed at consolidating operations and products under a unified and integrated approach. While the restructuring initiative yielded positive outcomes, including enhanced sales pipeline and improved cost management, the challenging competitive environment, lack of referenceable clients on the first half of 2025 financial year and higher interest rates had impact to the recoverable amount of the segment. Given the time required for the restructuring initiatives to realise the full planned benefits, management performed an impairment analysis of the segment using the fair value less cost of disposal. Following this assessment, a non-cash impairment loss of $19,900,000 was recognised against the goodwill balance and recorded as part of impairment losses in the profit or loss for the half-year ended 31 December 2024.

As at 30 June 2025, there were no further indications that the recoverable amount is below the net carrying amount of the assets and would result in material impairment to the Group.

Impairment testing of Government Justice and Procurement segment was carried out based on fair value less costs of disposal (FVLCD) calculations which uses cash flow forecasts from the most recent financial budgets and future forecasts driven by the business strategy, past experience and available market information. Cash flow forecasts are modelled over a ten year forecast period with a terminal growth rate at the end of year ten discounted to present value using a pre-tax discount rate of 13.25% (30 June 2024 - 13.25%). calculated using weighted average cost of capital. A terminal growth rate of 3% (30 June 2024 - 13%) is applied.

Impact of possible changes in assumptions
As at 30 June 2025, the recoverable amount of the Government Justice and Procurement segment is equal to its carrying amount. Increases in discount rates or changes in other key assumptions, such as operating conditions or financial performance, may cause the recoverable amount to fall below the carrying values. Management has performed sensitivity analysis to the changes in the current assumptions. Subject to all other assumptions being held constant, the sensitivity analysis identified:

- An increase in the discount rate by 0.5% would increase the impairment loss by $200,000.
- A decrease in the terminal growth by 1.1% would increase the impairment loss by $300,000.
- A decrease in the 10-year EBITDA CAGR by 0.5% would increase the impairment loss by $4,200,000.

Note 13. Non-current assets - right-of-use assets

	Consolidated	
	2025 $'000	2024 $'000
Right-of-use assets - at cost	9,432	9,842
Less: Accumulated depreciation	(5,562)	(5,252)
	3,870	4,590

The Group leases land and buildings for its offices under agreements of 5 to 7 years (2024: 5 to 7 years). At the inception of a lease, management determines the non-cancellable period of a lease, including options to extend the lease if it is reasonably certain to exercise that option.

Note 13. Non-current assets - right-of-use assets (continued)

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

Consolidated	Right-of-use assets $'000
Balance at 1 July 2023	4,783
Additions	1,402
Exchange differences	(1)
Depreciation expense	(1,594)
Balance at 30 June 2024	4,590
Additions	647
Additions through business combinations (note 36)	147
Depreciation expense	(1,514)
Balance at 30 June 2025	3,870

For other lease related disclosures refer to the following:
- note 6 for interest on lease liabilities and other lease expenses;
- note 18 and note 23 for details of lease liabilities at the beginning and end of the reporting period;
- note 27 for maturity analysis of lease liabilities; and
- consolidated statement of cash flows for repayment of lease liabilities.

For impairment testing, the right-of-use assets have been allocated to all cash-generating units. Refer to note 12 for further information on the impairment testing key assumptions and sensitivity analysis.

Note 14. Non-current assets - contract costs

	Consolidated 2025 $'000	Consolidated 2024 $'000
Costs to obtain contracts	579	679
Contract fulfilment costs	730	1,118
	1,309	1,797

Certain commission costs that meet the criteria as costs to obtain contracts are capitalised. Contract fulfilment costs represent costs incurred by the Group that are related to future performance or delivery of services. These costs are capitalised and amortised over the contract terms.

Note 15. Current liabilities - trade and other payables

	Consolidated 2025 $'000	Consolidated 2024 $'000
Trade payables	3,028	2,540
Accrued expenses	4,250	4,594
GST payable	2,772	4,802
	10,050	11,936

Note 15. Current liabilities - trade and other payables (continued)

Trade payables are non-interest bearing and are on 30 day credit term.

Refer to note 27 for further information on financial instruments.

Note 16. Current liabilities - contract liabilities

	Consolidated	
	2025 $'000	2024 $'000
Contract liabilities	23,540	23,635

Note 17. Current liabilities - derivative financial liability

	Consolidated	
	2025 $'000	2024 $'000
Forward foreign exchange contracts payable	217	-

Refer to note 28 for further information on fair value measurement.

Note 18. Current liabilities - lease liabilities

	Consolidated	
	2025 $'000	2024 $'000
Lease liability	1,554	1,509

Refer to note 27 for maturity analysis of lease liabilities.

Note 19. Current liabilities - contingent consideration

	Consolidated	
	2025 $'000	2024 $'000
Contingent consideration	2,755	17,408

During the year ended 30 June 2025, a total contingent consideration of $20,873,000 was paid as final settlements with details as follows:

- a combination of $11,804,000 were paid by cash and $3,574,000 were settled by shares of contingent considerations to IT Vision vendors; and
- a combination of $2,148,000 were paid by cash and $131,000 were settled by shares of contingent considerations to Open Windows vendors.
- $115,000 cash payment related to a previous acquisition.

Further, a total amount of contingent consideration totalling $3,544,000 was recognised as a result of business acquisitions during the year.

Refer to note 22 for non-current portion of contingent consideration.

Refer to note 24 for further details of the shares issued.

Refer to note 28 for further details on fair value measurement of the contingent consideration.

Note 20. Non-current liabilities - contract liabilities

	Consolidated 2025 $'000	Consolidated 2024 $'000
Contract liabilities	648	722

Note 21. Non-current liabilities - borrowings

	Consolidated 2025 $'000	Consolidated 2024 $'000
Borrowings	56,044	42,000
Less: establishment fees	(103)	(103)
	55,941	41,897

Refer to note 27 for further information on financial instruments.

Total secured liabilities
The total secured liabilities (current and non-current) are as follows:

	Consolidated 2025 $'000	Consolidated 2024 $'000
Borrowings	56,044	42,000

Assets pledged as security
Borrowings are secured over the assets of the Group.

Financing arrangements
Unrestricted access was available at the reporting date to the following lines of credit:

	Consolidated 2025 $'000	Consolidated 2024 $'000
Total facilities		
Borrowings (Facility A and A1)	40,000	35,000
Borrowings (Facility B)	20,000	15,000
	60,000	50,000
Used at the reporting date		
Borrowings (Facility A and A1)	40,000	35,000
Borrowings (Facility B)	16,044	7,000
	56,044	42,000
Unused at the reporting date		
Borrowings (Facility A and A1)	-	-
Borrowings (Facility B)	3,956	8,000
	3,956	8,000

Note 21. Non-current liabilities - borrowings (continued)

The Group has established two facilities, Facility A and Facility B:

- Facility A and A1 - $40,000,000 (2024: $35,000,000) as a non-revolving cash advance loan term expiring on 9 May 2028 with an interest rate set at BBSY plus a margin of 1.95-2.65% (2024: 2.05-2.75% depending on the Net Leverage Ratio of the Group). As at 30 June 2025, $40,000,000 (2024: $35,000,000) of the total facility has been drawn down.
- Facility B - $20,000,000 (2024: $15,000,000) as a revolving cash advance facility expiring on 9 May 2028 with an interest rate set at BBSY plus a margin of 1.95-2.65% (2024: 2.05-2.75% depending on the Net Leverage Ratio of the Group). As at 30 June 2025, $16,044,000 (2024: $7,000,000) of the total facility has been drawn down.

In addition, the Group has a bank guarantee facility of $2,000,000 (2024: $1,328,000) (refer to note 31).

The bank loans are subject to certain financial covenants and these are assessed at the end of each quarter. The loans will be repayable immediately if the covenants are breached. The Group is not aware of any facts or circumstances that indicate any incompliance with the covenants within 12 months after the reporting period.

Note 22. Non-current liabilities - Contingent consideration

	Consolidated	
	2025 $'000	2024 $'000
Contingent consideration	1,272	360

The amount as at 30 June 2025 and 30 June 2024 represents contingent consideration that is not expected to be settled within 12 months.

Refer to note 28 for further details on fair value measurement of the contingent consideration.

Note 23. Non-current liabilities - lease liabilities

	Consolidated	
	2025 $'000	2024 $'000
Lease liability	2,983	3,656

Refer to note 27 for further information on financial instruments.

	Consolidated	
	2025 $'000	2024 $'000
Current (note 18)	1,554	1,509
Non-current	2,983	3,656
	4,537	5,165

Reconciliation
Reconciliation of lease liabilities (current and non-current) at the beginning and end of financial year are set out below:

Note 23. Non-current liabilities - lease liabilities (continued)

	Consolidated 2025 $'000	2024 $'000
Balance at start of the year	5,165	5,161
Additions	647	1,402
Additions through business combinations	147	-
Interest	266	272
Repayment of lease liabilities	(1,688)	(1,670)
Balance at end of the year	4,537	5,165

Note 24. Equity - issued capital

	Consolidated 2025 Shares	2024 Shares	2025 $'000	2024 $'000
Ordinary shares - fully paid	123,564,107	119,835,909	221,877	211,831

Movements in ordinary share capital

Details	Date	Shares	Issue price	$'000
Balance	1 July 2023	114,321,851		194,292
Shares issued to Open Windows Pty Ltd on earn-out targets	18 July 2023	829,412	$3.21	2,665
Shares issued to IT Vision on earn-out targets	19 July 2023	994,471	$3.33	3,312
Shares issued under long term incentive plan	12 September 2023	629,118	$2.45	1,538
Employee share gift	26 October 2023	63,240	$3.59	227
Shares issued to IT Vision on earn-out targets	27 March 2024	2,098,383	$3.28	6,883
Shares issued to IT Vision on earn-out targets	27 June 2024	899,434	$3.24	2,914
Balance	30 June 2024	119,835,909		211,831
Shares issued under long term incentive plan	25 September 2024	371,031	$3.21	1,191
Shares issued to IT Vision Pty Ltd - final settlement	10 December 2024	1,219,663	$2.93	3,574
Shares issued related to a business acquisition - initial settlement	10 December 2024	194,233	$2.93	569
Shares issued to vendor of CouncilWise Pty Ltd - initial settlement	3 March 2025	519,239	$2.85	1,480
Shares issued for Open Windows - final settlement	30 June 2025	1,424,032	$2.27	3,232
Balance	30 June 2025	123,564,107		221,877

Ordinary shares
Ordinary shares entitle the holder to participate in any dividends declared and any proceeds attributable to shareholders should the Company be wound up in proportions that consider both the number of shares held and the extent to which those shares are paid up. The fully paid ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

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

Share buy-back
There is no current on-market share buy-back.

Note 24. Equity - issued capital (continued)

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

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

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

The Group would look to raise capital when an opportunity to invest in a business or company was seen as value adding relative to the current Company's share price at the time of the investment. The Group is not actively pursuing additional investments in the short term as it continues to integrate and grow its existing businesses in order to maximise synergies.

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

The capital risk management policy remains unchanged from the 2024 Annual Report.

Note 25. Equity - reserves

	Consolidated	
	2025 $'000	**2024 $'000**
Foreign currency reserve	114	(131)
Share-based payments reserve	853	4,711
Common control reserve	(10,058)	(10,058)
Reorganisation reserve	(73,048)	(73,048)
	(82,139)	(78,526)

Foreign currency reserve
The reserve is used to recognise exchange differences arising from the 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.

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

Common control reserve
Common control reserve is used to recognise the difference between the consideration paid and the historical values of assets and liabilities acquired, between entities under common control.

Reorganisation reserve
Reorganisation reserve is used to recognise the difference between the consideration paid and the historical values of assets and liabilities acquired, between ReadyTech Holdings Limited and the subsidiaries it acquired.

Note 25. Equity - reserves (continued)

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

Consolidated	Foreign currency $'000	Share-based payments $'000	Common control $'000	Reorgan-isation $'000	Total $'000
Balance at 1 July 2023	(54)	4,680	(10,058)	(73,048)	(78,480)
Foreign currency translation	(77)	-	-	-	(77)
Share-based payments	-	2,333	-	-	2,333
Exercise of performance rights (note 39)	-	(1,538)	-	-	(1,538)
Issuance of shares to Open Windows Pty Ltd on earn-out targets	-	(764)	-	-	(764)
Balance at 30 June 2024	(131)	4,711	(10,058)	(73,048)	(78,526)
Foreign currency translation	245	-	-	-	245
Share-based payments	-	424	-	-	424
Exercise of performance rights (note 39)	-	(1,191)	-	-	(1,191)
Issuance of shares	-	(3,091)	-	-	(3,091)
Balance at 30 June 2025	114	853	(10,058)	(73,048)	(82,139)

Note 26. Equity - dividends

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

Note 27. Financial instruments

Financial risk management objectives
The Group's activities expose it to a variety of financial risks: market risk (including foreign currency risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group may use derivative financial instruments such as forward foreign exchange contracts to hedge certain risk exposures. The Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

Risk management is carried out by senior finance executives ('finance') under policies approved by the Board of Directors ('the Board'). These policies include identification and analysis of the risk exposure of the Group and appropriate procedures, controls and risk limits. Finance identifies, evaluates and hedges financial risks within the Group's operating units. Finance reports to the Board on a monthly basis.

Market risk

Foreign currency risk
The Group undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.

Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The Group's foreign exchange risk is managed to ensure sufficient funds are available to meet foreign denominated financial commitments in a timely and cost-effective manner. The Group will continually monitor this risk and consider entering into forward foreign exchange, foreign currency swap and foreign currency option contracts if appropriate.

Creditors and debtors as at 30 June 2025 and 30 June 2024 were reviewed to assess currency risk at year end. The value of transactions denominated in a currency other than the functional currency of the respective subsidiary was insignificant and therefore the risk was determined as not being significant.

Note 27. Financial instruments (continued)

Price risk
The Group is not exposed to any significant price risk.

Interest rate risk
The Group's main interest rate risk arises from long-term borrowings. Borrowings obtained at variable rates expose the Group to interest rate risk.

As at the reporting date, the Group had the following variable rate borrowings outstanding:

	2025		2024	
Consolidated	**Weighted average interest rate %**	**Balance $'000**	**Weighted average interest rate %**	**Balance $'000**
Borrowings	6.23%	56,044	6.46%	42,000
Net exposure to cash flow interest rate risk		56,044		42,000

An analysis by remaining contractual maturities in shown in 'liquidity and interest rate risk management' below.

The Group's borrowings outstanding totalling $56,044,000 (2024: $42,000,000), are principal and interest payment loans. An increase/decrease in interest rates of 100 (2024: 100) basis points would have an adverse/favourable effect on loss before tax of $310,000 (2024: $330,000) per annum. The percentage change is based on the expected volatility of interest rates using market data and analysts forecasts.

Credit risk
Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has a strict code of credit, including obtaining agency credit information, confirming references and setting appropriate credit limits. The Group obtains guarantees where appropriate to mitigate credit risk. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the statement of financial position and notes to the financial statements. The Group does not hold any collateral.

The Group has adopted a lifetime expected loss allowance in estimating expected credit losses to trade receivables through the use of a provisions matrix using fixed rates of credit loss provisioning. These provisions are considered representative across all customers of the Group based on recent sales experience, historical collection rates and forward-looking information that is available.

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

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

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

Note 27. Financial instruments (continued)

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.

Consolidated - 2025	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives						
Non-interest bearing						
Trade payables	-	3,028	-	-	-	3,028
Other payables	-	2,772	-	-	-	2,772
Contingent consideration	-	2,755	1,272	-	-	4,027
Interest-bearing - variable						
Bank loans	6.23%	-	56,044	-	-	56,044
Lease liability	5.30%	1,938	1,597	1,526	-	5,061
Total non-derivatives		10,493	58,913	1,526	-	70,932
Derivatives						
Foreign exchange forward payable	-	217	-	-	-	217
Total derivatives		217	-	-	-	217

Consolidated - 2024	Weighted average interest rate %	1 year or less $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Remaining contractual maturities $'000
Non-derivatives						
Non-interest bearing						
Trade payables	-	2,540	-	-	-	2,540
Other payables	-	4,802	-	-	-	4,802
Contingent consideration	-	17,408	360	-	-	17,768
Interest-bearing - variable						
Bank loans	6.46%	-	42,000	-	-	42,000
Lease liability	4.60%	1,631	1,459	2,416	262	5,768
Total non-derivatives		26,381	43,819	2,416	262	72,878

The cash flows in the maturity analysis above are not expected to occur significantly earlier than contractually disclosed above.

Fair value of financial instruments
Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

Note 28. Fair value measurement

Fair value hierarchy
The following tables detail the Group's assets and liabilities, measured or disclosed at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

Consolidated - 2025	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Liabilities				
Foreign exchange forward payable	-	217	-	217
Contingent consideration	-	4,027	-	4,027
Total liabilities	-	4,244	-	4,244

Consolidated - 2024	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Liabilities				
Contingent consideration	-	17,768	-	17,768
Total liabilities	-	17,768	-	17,768

There were no transfers between levels during the financial year.

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

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities.

Valuation techniques for fair value measurements categorised within level 2 and level 3
Derivative financial instruments have been valued using quoted market rates. This valuation technique maximises the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Contingent consideration has been valued using a combination of discounted cash flow and Black Scholes models.

Refer to note 19 and note 22 for further details of the contingent consideration.

Note 29. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the Company:

	Consolidated	
	2025 $	2024 $
Deloitte and related network firms		
Audit or review of the financial statements	447,000	425,700
Other services		
Tax compliance	30,000	22,000
Research and development tax services	90,000	90,000
	120,000	112,000
	567,000	537,700

Note 30. Key management personnel disclosures

Compensation
The aggregate compensation made to Directors and other members of key management personnel of the Group is set out below:

	Consolidated	
	2025 $	2024 $
Short-term employee benefits	1,461,352	1,218,496
Post-employment benefits	59,864	54,798
Long-term employment benefits	(10,325)	44,212
Share-based payments	(222,067)	295,094
	1,288,824	1,612,600

Note 31. Contingent liabilities

The Group has given bank guarantees as at 30 June 2025 of $1,328,000 (2024: $1,328,000). The bank guarantees are for various office leases. No cash outflows are expected from the bank guarantees given by the Group.

Note 32. Commitments

The Group had no commitments as at 30 June 2025 and 30 June 2024.

Note 33. Related party transactions

Parent entity
ReadyTech Holdings Limited is the parent entity.

Subsidiaries
Interests in subsidiaries are set out in note 35.

Key management personnel
Disclosures relating to key management personnel are set out in note 30 and the remuneration report included in the Directors' report.

Note 33. Related party transactions (continued)

Transactions with related parties
There were no transactions with related parties during the current and previous financial year.

Receivable from and payable to related parties
There were no trade receivables from or trade payables to related parties at the current and previous reporting date.

Loans to/from related parties
There were no loans to or from related parties at the current and previous reporting date.

Note 34. Parent entity information

Set out below is the supplementary information about the parent entity.

Statement of profit or loss and other comprehensive income

	Parent	
	2025 **$'000**	**2024** **$'000**
Loss after income tax	(20,016)	(59)
Total comprehensive income	(20,016)	(59)

Statement of financial position

	Parent	
	2025 **$'000**	**2024** **$'000**
Total current assets	-	810
Total assets	110,928	124,117
Total current liabilities	1,024	-
Total liabilities	1,024	-
Equity		
Issued capital	221,877	212,458
Share-based payments reserve	933	4,549
Reorganisation reserve	(89,471)	(89,471)
Accumulated losses	(23,435)	(3,419)
Total equity	109,904	124,117

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries
The parent entity and some of its subsidiaries are party to a deed of cross guarantee under which each company guarantees the debts of the others, as disclosed in note 37.

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

Capital commitments - Property, plant and equipment
The parent entity had no capital commitments for property, plant and equipment as at 30 June 2025 and 30 June 2024.

Note 34. Parent entity information (continued)

Material accounting policy information
The accounting policies of the parent entity are consistent with those of the Group, as disclosed in note 2, except for the following:
- Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.
- Dividends received from subsidiaries are recognised as other income by the parent entity and its receipt may be an indicator of an impairment of the investment.

Note 35. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 2:

Name	**Principal place of business / Country of incorporation**	**Ownership interest 2025 %**	**Ownership interest 2024 %**
Avaxa Pty Ltd	Australia	100%	100%
Capital Software Limited	New Zealand	100%	100%
Cognology Pty Ltd	Australia	100%	100%
Cogware Pty Ltd	Australia	100%	100%
CouncilWise Pty Ltd*	Australia	100%	-
eLearning Australia Pty Ltd	Australia	100%	100%
Escrow Software International Limited	New Zealand	100%	100%
Esher House Pty Ltd	Australia	100%	100%
House of Cog Pty Ltd	Australia	100%	100%
IT Vision Australia Pty Ltd as trustee for the IT Vision Unit Trust	Australia	100%	100%
IT Vision Software Pty Ltd	Australia	100%	100%
IT Vision Unit Trust	Australia	100%	100%
Lirac BidCo Pty Ltd	Australia	100%	100%
Lirac HoldCo Pty Ltd	Australia	100%	100%
McGirr Holdings Pty Ltd	Australia	100%	100%
McGirr Information Technology Pty Ltd	Australia	100%	100%
McGirr Information Technology UK Limited	UK	100%	100%
McGirr Technologies, Inc.	USA	100%	100%
Pentagon BidCo Pty Ltd	Australia	100%	100%
Pentagon HoldCo Pty Ltd	Australia	100%	100%
PhoenixATS Australia Pty Ltd	Australia	100%	100%
Ready Pay Services Pty Ltd	Australia	100%	100%
Ready Payroll Pty Ltd	Australia	100%	100%
ReadyTech EWP Pty Ltd	Australia	100%	100%
ReadyTech Gov Solutions Pty Ltd (previously Open Office Holdings Pty Ltd)	Australia	100%	100%
ReadyTech HoldCo Pty Ltd	Australia	100%	100%
ReadyTech Limited	New Zealand	100%	100%
ReadyTech Procurement Solutions Pty Ltd (previously Open Windows Software Pty Ltd)	Australia	100%	100%
ReadyTech Pty Ltd	Australia	100%	100%
Readytech Workforce Solutions Pty Ltd	Australia	100%	100%
Silverband Pty Ltd	Australia	100%	100%
VETtrak Pty Ltd	Australia	100%	100%
WageLink Australia Pty Ltd	Australia	100%	100%
Zambion Pty Ltd	Australia	100%	100%

* CouncilWise Pty Ltd was acquired on 7 February 2025.

Note 36. Business combinations

Acquisitions during the year ended 30 June 2025

Acquisition of CouncilWise Pty Ltd ('CouncilWise')

On 7 February 2025, the Group acquired 100% of the ordinary shares of CouncilWise Pty Ltd, for the total consideration of $7,588,000. CouncilWise develops and implements technology software dedicated to supporting local councils with a specialised Property and Rates solution. With this acquisition, the Group expects to advance the cloud strategy in local government and reinforce the Group commitment to the sector, and strengthens the Group's capability and strategic focus. This acquisition will bring deep domain expertise to the Group that will enhance the offering and improve referenceability, to deliver greater value to local councils across Australia.

The values identified In relation to the acquisition of CouncilWise were final as at 30 June 2025. The goodwill of $2,447,000 represents future growth.

Details of the acquisition are as follows:

	Fair value $'000
Trade and other receivables	152
Property, plant and equipment	107
Right-of-use assets	147
Customer relationships	2,091
Software	1,121
Trade and other payables	(943)
Overdraft loan	(11)
Contract liabilities	(663)
Deferred tax liability	(596)
Employee benefits	(117)
Lease liability	(147)
Net assets acquired	1,141
Goodwill	2,447
Acquisition-date fair value of the total consideration transferred	3,588
Representing:	
Cash paid or payable to vendor	2,088
ReadyTech Holdings Limited shares issued to vendor	1,500
	3,588
Acquisition costs expensed to profit or loss	120
Cash used to acquire business, net of cash acquired:	
Acquisition-date fair value of the total consideration transferred	3,588
Add: bank overdraft	11
Less: shares issued by Company as part of consideration	(1,500)
Net cash used	2,099

As part of the acquisition of CouncilWise, an amount of contingent consideration has been agreed. The contingent consideration is payable in multiple tranches, depending on the operational and financial targets.

The fair value of consideration as at acquisition date of $3,491,000 is treated as a remuneration to the ex-founders who continue to work in the business. The amount of considerations is payable only when the thresholds as per share purchase agreement are met. If these targets not met, then no amounts are payable.

Note 37. Deed of cross guarantee

The following entities are party to a deed of cross guarantee under which each Company guarantees the debts of the others:

Avaxa Pty Ltd
Cognology Pty Ltd
Cogware Pty Ltd
CouncilWise Pty Ltd (acquired on 7 February 2025)
eLearning Australia Pty Ltd
Esher House Pty Ltd
House of Cog Pty Ltd
IT Vision Australia Pty Ltd as trustee for the IT Vision Unit Trust
IT Vision Software Pty Ltd
IT Vision Unit Trust
Lirac BidCo Pty Ltd
Lirac HoldCo Pty Ltd
McGirr Holdings Pty Ltd
McGirr Information Technology Pty Ltd
Pentagon BidCo Pty Ltd
Pentagon HoldCo Pty Ltd
PhoenixATS Pty Ltd
Ready Pay Services Pty Ltd (previously Australian Payroll Professionals Holdings Pty Ltd)
Ready Payroll Pty Ltd
ReadyTech EWP (previously JobReady Tech Pty Ltd)
ReadyTech HoldCo Pty Ltd
ReadyTech Gov Solutions Pty Ltd (previously Open Office Holdings Pty Ltd)
ReadyTech Procurement Solutions Pty Ltd (previously Open Windows Software Pty Ltd)
ReadyTech Pty Ltd (previously ReadyTech BidCo Pty Ltd)
Readytech Workforce Solutions Pty Ltd (previously HR3 Pty Ltd)
Silverband Pty Ltd
VETtrak Pty Ltd
WageLink Australia Pty Ltd
Zambion Pty Ltd

By entering into the deed, the wholly-owned entities have been relieved from the requirement to prepare financial statements and Directors' report under Corporations Instrument 2016/785 issued by the Australian Securities and Investments Commission.

The above companies represent a 'Closed Group' for the purposes of the Corporations Instrument, and as there are no other parties to the deed of cross guarantee that are controlled by ReadyTech Holdings Limited, they also represent the 'Extended Closed Group'.

Note 37. Deed of cross guarantee (continued)

Set out below is a consolidated statement of profit or loss and other comprehensive income and statement of financial position of the 'Closed Group'.

Statement of profit or loss and other comprehensive income	2025 $'000	2024 $'000
Revenue	114,416	107,480
Revaluation of contingent consideration	-	(615)
Hosting and other direct costs	(7,512)	(7,979)
Employee benefits expense	(61,715)	(58,921)
Third party SaaS variable costs	(4,655)	(2,028)
Depreciation and amortisation expense	(23,406)	(21,629)
Impairment losses of intangible and other assets	(21,794)	-
Advertising and marketing expenses	(1,362)	(1,246)
Consultancy and professional expenses	(2,458)	(2,060)
Administration expenses	(657)	(903)
Communication and IT expenses	(3,082)	(2,296)
Occupancy costs	(856)	(784)
Gain/(loss) on revaluation of contingent consideration	64	-
Other expenses	(1,409)	(1,222)
Finance costs	(3,436)	(3,300)
(Loss)/profit before income tax expense	(17,862)	4,497
Income tax expense	(598)	(127)
(Loss)/profit after income tax expense	(18,460)	4,370
Other comprehensive income		
Foreign currency translation	-	-
Other comprehensive income for the year, net of tax	-	-
Total comprehensive income for the year	(18,460)	4,370

Equity - (accumulated losses)/retained profits	2025 $'000	2024 $'000
Retained profits at the beginning of the financial year	12,841	8,471
(Loss)/profit after income tax expense	(18,460)	4,370
(Accumulated losses)/retained profits at the end of the financial year	(5,619)	12,841

Note 37. Deed of cross guarantee (continued)

Statement of financial position	2025 $'000	2024 $'000
Current assets		
Cash and cash equivalents	18,824	20,582
Trade and other receivables	9,680	11,536
Contract assets	3,541	2,483
Income tax refund receivable	-	1,840
Prepayments	3,169	2,224
	35,214	38,665
Non-current assets		
Investments	13,583	12,804
Property, plant and equipment	1,914	1,906
Intangibles	190,777	200,822
Right-of-use assets	3,819	4,481
Contract costs	1,251	1,712
Deferred tax assets	3,505	1,573
	214,849	223,298
Total assets	250,063	261,963
Current liabilities		
Trade and other payables	15,118	15,199
Contract liabilities	23,390	23,827
Derivative financial liability	217	-
Lease liabilities	1,495	1,443
Income tax payable	152	-
Employee benefits	7,514	6,935
Contingent consideration	2,755	17,408
	50,641	64,812
Non-current liabilities		
Contract liabilities	639	706
Borrowings	55,941	41,897
Provisions	667	548
Lease liabilities	2,983	3,598
Employee benefits	636	494
Contingent consideration	1,272	360
	62,138	47,603
Total liabilities	112,779	112,415
Net assets	137,284	149,548
Equity		
Issued capital	225,144	215,097
Reserves	(82,241)	(78,390)
(Accumulated losses)/retained profits	(5,619)	12,841
Total equity	137,284	149,548

Note 38. Reconciliation of (loss)/profit after income tax to net cash from operating activities

	Consolidated 2025 $'000	2024 $'000
(Loss)/profit after income tax expense for the year	(16,141)	5,464
Adjustments for:		
Depreciation and amortisation	24,561	22,859
Impairment of goodwill and other assets	21,794	247
Revaluation of contingent consideration	(64)	615
Share-based payments	424	2,333
Foreign exchange differences	92	41
Payment for acquisition costs	137	-
Contingent consideration treated as remuneration expense	1,056	858
Other expenses - non-cash	747	197
Change in operating assets and liabilities:		
Decrease/(increase) in trade and other receivables	597	(2,111)
Increase in deferred tax assets	(3,847)	(4,039)
(Increase)/decrease in prepayments	(933)	725
Increase in other operating assets	(1,769)	(819)
(Decrease)/increase in trade and other payables	(2,999)	126
(Decrease)/increase in contract liabilities	(1,566)	3,942
Increase in provision for income tax	1,744	1,264
Increase/(decrease) in employee benefits	225	(108)
Net cash from operating activities	24,058	31,594

Note 39. Share-based payments

FY2023 Plan
The LTI performance rights are subject to an EPS hurdle (50% of grant value) and a recurring revenue hurdle (50% of grant value).

These LTI performance rights will be evaluated in two tranches. The first of which, equivalent to 50% of the total grant value, will be evaluated two years from the beginning of the performance period. The second of which, equivalent to 50% of the total grant value, will be evaluated three years from the beginning of the period.

If the compound annual growth rate of EPS is less than the target of 13%, no vesting will occur. If the target is met, 50% of rights will vest. In the event that performance is up to 4% above the target, vesting will be pro-rated between 50-100%.

If the compound annual growth rate of recurring revenue is less than the target of 13%, no vesting will occur. If the target is met, 50% of rights will vest. In the event that performance is up to 4% above the target, vesting will be pro-rated between 50-100%.

FY2024 Plan
The LTI performance rights are subject to an EPS hurdle (50% of grant value) and a recurring revenue hurdle (50% of grant value).

These LTI performance rights will be evaluated three years from the beginning of the performance period.

If the compound annual growth rate of EPS is less than the target of 13%, no vesting will occur. If the target is met, 50% of rights will vest. In the event that performance is up to 4% above the target, vesting will be pro-rated between 50-100%.

If the compound annual growth rate of recurring revenue is less than the target of 13%, no vesting will occur. If the target is met, 50% of rights will vest. In the event that performance is up to 4% above the target, vesting will be pro-rated between 50-100%.

Note 39. Share-based payments (continued)

FY2025 Plan
The LTI performance rights are subject to a cash EBITDA per share hurdle (50% of grant value) and a recurring revenue per share hurdle (50% of grant value).

These LTI performance rights will be evaluated three years from the beginning of the performance period.

If the compound annual growth rate of cash EBITDA per share is less than the target of 11%, no vesting will occur. If the target is met, 30% of rights will vest. In the event that performance is up to 6% above the target, vesting will be pro-rated between 30-100%.

If the compound annual growth rate of recurring revenue per share is less than the target of 11%, no vesting will occur. If the target is met, 30% of rights will vest. In the event that performance is up to 6% above the target, vesting will be pro-rated between 30- 100%.

Set out below are summaries of performance rights granted under the plan:

2025

Grant date	Expiry date	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
13/09/2021	30/06/2024	217,390	-	(190,217)	(27,173)	-
17/11/2021	30/06/2024	60,264	-	(52,731)	(7,533)	-
11/10/2022	30/06/2024	208,783	-	(104,393)	(104,390)	-
11/10/2022	30/06/2025	208,775	-	-	(11,148)	197,627
15/11/2022	30/06/2024	47,380	-	(23,690)	(23,690)	-
15/11/2022	30/06/2025	47,380	-	-	-	47,380
22/09/2023	30/06/2026	729,546	-	-	(52,995)	676,551
05/12/2023	30/06/2026	100,334	-	-	-	100,334
14/10/2024	30/06/2027	-	716,179	-	(76,372)	639,807
19/11/2024	30/06/2027	-	127,516	-	-	127,516
		1,619,852	843,695	(371,031)	(303,301)	1,789,215

The weighted average share price during the financial year was $2.93 (2024: $3.40).

The weighted average remaining contractual life of performance rights outstanding at the end of the financial year was 1.29 years (2024: 1.18 years).

For the performance rights granted during the current financial year, the valuation model inputs used to determine the fair value are using the share price as at 14 October 2024 and 19 November 2024, which is $3.03 and $2.87 respectively.

2024

Grant date	Expiry date	Balance at the start of the year	Granted	Exercised	Expired/ forfeited/ other	Balance at the end of the year
11/12/2020	30/06/2023	351,460	-	(351,460)	-	-
13/09/2021	30/06/2023	217,394	-	(217,394)	-	-
13/09/2021	30/06/2024	217,390	-	-	-	217,390
17/11/2021	30/06/2023	60,264	-	(60,264)	-	-
17/11/2021	30/06/2024	60,264	-	-	-	60,264
11/10/2022	30/06/2024	244,319	-	-	(35,536)	208,783
11/10/2022	30/06/2025	244,309	-	-	(35,534)	208,775
15/11/2022	30/06/2024	47,380	-	-	-	47,380
15/11/2022	30/06/2025	47,380	-	-	-	47,380
22/09/2023	30/06/2026	-	808,403	-	(78,857)	729,546
05/12/2023	30/06/2026	-	100,334	-	-	100,334
		1,490,160	908,737	(629,118)	(149,927)	1,619,852

Note 39. Share-based payments (continued)

Set out below are the performance rights exercisable at the end of the financial year:

Grant date	Expiry date	2025 Number	2024 Number
17/11/2021	30/06/2024	-	52,731
13/09/2021	30/06/2024	-	190,217
11/10/2022	30/06/2024	-	104,393
15/11/2022	30/06/2024	-	23,690
		-	371,031

None of the performance rights that vested as at 30 June 2025 are exercisable, as the performance hurdles were not met.

Deferred consideration in shares
As part of the acquisition of Open Windows Software Pty Ltd, an amount of contingent consideration has been agreed. A portion of the consideration is treated as a remuneration to the ex-founders who continue to work in the business. As per the sale agreement, a maximum of 40% could be settled in cash whilst the remaining is in shares. During the financial year ended 30 June 2025, an amount of $586,000 (2024: $1,338,000) which represented an equity settlement, was charged as a share-based payment.

Note 40. Non-cash investing and financing activities

	Consolidated	
	2025 $'000	**2024 $'000**
Additions to the right-of-use assets, including lease modification	647	1,402
Additions to lease make good assets	107	226
Shares issued in relation to exercise of vested performance rights	1,191	1,538
Shares issued in relation to business combinations	2,049	-
Shares issued in relation to settlement of contingent consideration	6,806	15,774
Additional contingent consideration charged as employee expenses	1,056	1,338
	11,856	20,278

Note 41. Changes in liabilities arising from financing activities

Consolidated	Borrowings $'000	Lease liability $'000	Total $'000
Balance at 1 July 2023	47,000	5,161	52,161
Net cash used in financing activities	(5,000)	(1,670)	(6,670)
Acquisition of leases	-	1,402	1,402
Interest expense	-	272	272
Balance at 30 June 2024	42,000	5,165	47,165
Net cash from/(used in) financing activities	14,000	(1,688)	12,312
Acquisition of leases	-	647	647
Changes through business combinations (note 36)	-	147	147
Interest expense	44	266	310
Balance at 30 June 2025	56,044	4,537	60,581

Note 42. (Loss)/earnings per share

	Consolidated	
	2025	**2024**
	$'000	**$'000**
(Loss)/profit after income tax attributable to the owners of ReadyTech Holdings Limited	(16,141)	5,464
	Number	**Number**
Weighted average number of ordinary shares used in calculating basic earnings per share	121,080,488	117,165,188
Weighted average number of ordinary shares used in calculating diluted earnings per share	121,080,488	117,165,188
	Cents	**Cents**
Basic (loss)/earnings per share	(13.33)	4.66
Diluted (loss)/earnings per share	(13.33)	4.66

1,789,215 unissued ordinary shares under performance rights (2024: 1,457,066) were not included in the calculation of diluted (loss)/earnings per share as they are contingently issuable and the conditions were not met as at the periods presented.

Note 43. Events after the reporting period

No matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group's operations, the results of those operations, or the Group's state of affairs in future financial years.

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest %	Tax residency
ReadyTech Holdings Limited	Body Corporate	Australia	-	Australian
Avaxa Pty Ltd	Body Corporate	Australia	100%	Australian
Capital Software Limited	Body Corporate	New Zealand	100%	New Zealand
Cognology Pty Ltd	Body Corporate	Australia	100%	Australian
Cogware Pty Ltd	Body Corporate	Australia	100%	Australian
CouncilWise Pty Ltd	Body Corporate	Australia	100%	Australian
eLearning Australia Pty Ltd	Body Corporate	Australia	100%	Australian
Escrow Software International Limited	Body Corporate	New Zealand	100%	New Zealand
Esher House Pty Ltd	Body Corporate	Australia	100%	Australian
House of Cog Pty Ltd	Body Corporate	Australia	100%	Australian
IT Vision Australia Pty Ltd as trustee for the IT Vision Unit Trust	Body Corporate	Australia	100%	Australian
IT Vision Software Pty Ltd	Body Corporate	Australia	100%	Australian
IT Vision Unit Trust	Trust	Australia	100%	Australian
Lirac BidCo Pty Ltd	Body Corporate	Australia	100%	Australian
Lirac HoldCo Pty Ltd	Body Corporate	Australia	100%	Australian
McGirr Holdings Pty Ltd	Body Corporate	Australia	100%	Australian
McGirr Information Technology Pty Ltd	Body Corporate	Australia	100%	Australian
McGirr Information Technology UK Limited	Body Corporate	UK	100%	Australian
McGirr Technologies, Inc.	Body Corporate	USA	100%	Australian
Pentagon BidCo Pty Ltd	Body Corporate	Australia	100%	Australian
Pentagon HoldCo Pty Ltd	Body Corporate	Australia	100%	Australian
PhoenixATS Australia Pty Ltd	Body Corporate	Australia	100%	Australian
Ready Pay Services Pty Ltd	Body Corporate	Australia	100%	Australian
Ready Payroll Pty Ltd	Body Corporate	Australia	100%	Australian
ReadyTech EWP Pty Ltd	Body Corporate	Australia	100%	Australian
ReadyTech Gov Solutions Pty Ltd	Body Corporate	Australia	100%	Australian
ReadyTech HoldCo Pty Ltd	Body Corporate	Australia	100%	Australian
ReadyTech Limited	Body Corporate	New Zealand	100%	New Zealand
ReadyTech Procurement Solutions Pty Ltd	Body Corporate	Australia	100%	Australian
ReadyTech Pty Ltd	Body Corporate	Australia	100%	Australian
Readytech Workforce Solutions Pty Ltd	Body Corporate	Australia	100%	Australian
Silverband Pty Ltd	Body Corporate	Australia	100%	Australian
VETtrak Pty Ltd	Body Corporate	Australia	100%	Australian
WageLink Australia Pty Ltd	Body Corporate	Australia	100%	Australian
Zambion Pty Ltd	Body Corporate	Australia	100%	Australian

In the Directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;

- the attached financial statements and notes comply with IFRS Accounting Standards as issued by the International Accounting Standards Board ('IASB') as described in note 2 to the financial statements;

- the attached financial statements and notes give a true and fair view of the Group's financial position as at 30 June 2025 and of its performance for the financial year ended on that date;

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

- at the date of this declaration, there are reasonable grounds to believe that the members of the Extended Closed Group will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 37 to the financial statements; and

- the information disclosed in the attached consolidated entity disclosure statement is true and correct.

The Directors have been given the declarations required by section 295A of the Corporations Act 2001.

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

On behalf of the Directors

Tony Faure
Chair

27 August 2025
Sydney

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060

Quay Quarter Tower
50 Bridge Street
Sydney, NSW, 2000
Australia

Phone: +61 2 9322 7000
www.deloitte.com.au

Independent Auditor's Report to the members of ReadyTech Holdings Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of ReadyTech Holdings 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, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the consolidated entity disclosure statement and the directors' declaration.

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

- Giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's 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 APES 110 *Code of Ethics* for Professional Accountants (including Independence Standards) issued by the Accounting Professional & Ethical Standards Board Limited (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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 for 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 the scope of our audit responded to the Key Audit Matter
Capitalisation of software development costs During the year, the Group capitalised software costs of $19.1 million as disclosed in Note 12, which includes capitalised internal software development costs of $18.3 million. These projects were predominantly in relation to the development of the Group's key software platforms. The costs mainly comprised of payroll and related costs for software developers and engineers. Significant management judgement is required in respect of the rate of capitalisation of payroll and related costs for software developers and engineers.	Our procedures included, but were not limited to: • Through inquiries with management, obtaining an understanding of the Group's capitalisation policy, including the rationale for the percentage of payroll and related costs capitalised for software developers and engineers; • Understanding the relevant controls over the capitalisation of software development costs; • Performing analytical review of capitalised software development as a percentage of payroll costs and year on year movement analysis; • On a sample basis, testing capitalised software development costs during the year through the following: a. Assessing management's movement schedule of software development costs by agreeing the underlying salaries to the respective payroll records; b. Understanding the significant development projects and activities undertaken during the year; c. Assessing whether eligible employees are included, and ineligible employees are excluded in the calculations, where appropriate; d. Challenging management's key assumptions on employee level software capitalisation rates; e. Performing direct interviews and confirming with respective software developers and engineers to corroborate the roles and responsibilities, key development projects and software capitalisation rates; f. Tracing to underlying supporting records and other information; g. Assessing whether the costs incurred qualify for capitalisation in accordance with Group's accounting policy and AASB 138 *Intangible Assets*. We also assessed the appropriateness of the disclosures in Note 2 and Note 12.

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Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 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 are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has 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.

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

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

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

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

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

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

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 17 of the Directors' Report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of ReadyTech Holdings 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.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Sandeep Chadha

Sandeep Chadha
Partner
Chartered Accountants
Sydney, 27 August 2025

Voting Rights

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

Earn Out Share: There are currently 3 Earn Out Shares on issue. As set out in the Notice of Meeting and accompanying documents dated 14 October 2022 (Notice), prior to Redemption (as outlined in the Notice), the holders will not be entitled to vote at any general meeting or class meeting of the Company except where a vote is required by law.

Performance Rights: There are currently 1,789,215 Performance Rights on issue. Holders of performance rights have no voting rights.

The below information is current as at 8 August 2025.

Distribution of equity securities
Analysis of number of equity security holders (fully paid ordinary shares) by size of holding:

	Ordinary shares			
Range	**Number of holders**	**% of holders**	**Number of securities**	**% of securities**
1 to 1,000	1,031	45.99	466,583	0.38
1,001 to 5,000	689	30.73	1,796,052	1.45
5,001 to 10,000	217	9.68	1,656,433	1.34
10,001 to 100,000	244	10.88	7,213,780	5.84
100,001 and over	61	2.72	112,431,259	90.99
Total number of security holders	**2,242**	**100.00**	**123,564,107**	**100.00**
Holders holding less than a marketable parcel of shares	259	11.55	33,680	0.03

The marketable parcel of shares was calculated based on the closing market price on 8 August 2025 of $2.40.

Restricted Securities
There are currently no restricted securities on issue.

On-Market Buy Back
There is no current on-market buy back.

Share Schemes
The total shares purchased during the financial year were 29,176 at an average price per share of $2.80 to satisfy the Share Sacrifice Plan under the Company's Employee Share Plans.

Unquoted Securities

Type of Security	Number of holders	Number of securities
Performance Rights	32	1789215

Performance Rights

Range	**Number of holders**	**% of holders**	**Number of securities**	**% of securities**
1 to 1,000	-	-	-	-
1,001 to 5,000	-	-	-	-
5,001 to 10,000	8	25.00%	65,637	4.00%
10,001 to 100,000	119	59.00%	556,652	31.00%
100,001 and over	5	16.00%	1,166,926	65.00%
Total number of security holders	**132**		**1,789,215**	

Twenty largest quoted equity security holders

The names of the twenty largest security holders of quoted equity securities are listed below:

	Ordinary shares	
	Number held	**% of total shares issued**
PEMBA CAPITAL PARTNERS FUND I GP PTY LTD	30,157,762	24.41
J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	21,762,143	17.61
CITICORP NOMINEES PTY LIMITED	15,837,964	12.82
PEMBA CAPITAL PARTNERS FUND 1 PARTNERSHIP LP	5,161,468	4.18
OPEN OFFICE PTY LTD	5,144,721	4.16
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,586,204	2.90
MARC RAYMOND WASHBOURNE	2,861,363	2.32
SYNERGYSOFT PTY LTD	2,170,041	1.76
UBS NOMINEES PTY LTD	1,592,668	1.29
MIRRABOOKA INVESTMENTS LIMITED	1,360,000	1.10
MICROEQUITIES ASSET MANAGEMENT PTY LTD	1,353,708	1.10
NANAYAKKARA HOLDINGS PTY LTD	1,314,702	1.06
SYNERGYSOFT PTY LTD	1,151,121	0.93
WASHBOURNE GROUP PTY LTD	1,147,051	0.93
AMCIL LIMITED	1,097,265	0.89
BNP PARIBAS NOMINEES PTY LTD	1,001,633	0.81
SYCAMORE MANAGEMENT PTY LTD	958,727	0.78
MARISH PTY LTD	878,646	0.71
SYNERGYSOFT PTY LTD	868,168	0.70
MALVERN AVENUE MANAGEMENT PTY LTD	862,509	0.70
	100,267,864	81.16
Top 20 holders of shares	100,267,864	81.16
Balance of shares	23,296,243	18.84
Total shares on issue	123,564,107	100.00

Substantial Holders

Shareholder	**Date of notice**	**Number of shares**	**% of issued equity[(1)]**
Microequities Asset Management Pty Ltd	13 December 2024	17,186,770	14.15%
The Pemba Entities[2]	22 December 2021	34,539,611	32.35%
Investors Mutual Limited	11 April 2025	6,261,458	5.13%

(1) Percentage of issued equity held as disclosed in the substantial holding notices provided to the Company.

(2) Pemba Capital Partners Fund I Partnership LP, Pemba Capital Partners Pty Limited ACN 121 906 045 as trustee of The Pemba Capital Co-Investment Trust and Pemba Capital Partners Pty Ltd ACN 121 906 045 as trustee of The Lirac Trust (together, the Pemba Entities).