

Appendix 4E
Preliminary final report
IXUP Limited
ABN 85 612 182 368

Reporting period:
Previous corresponding period:

Financial year ended 30 June 2025
Financial year ended 30 June 2024

	30-Jun-25	30-Jun-24	Movement	
	\$	\$	\$	%
Revenues from continuing operations	8,350,868	8,213,545	137,323	1.7%
Loss from ordinary activities after tax attributable to members	(10,033,239)	(10,278,358)	245,119	2.4%
Net loss for the period attributable to members	(10,033,239)	(10,278,358)	245,119	2.4%

Commentary

The above results should be read in conjunction with the notes and commentary contained in the unaudited Financial Statements attached.

Net Tangible Assets per share

Net tangible asset backing per ordinary share (cents per share)	(0.78)	0.60
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Loss of control over entities

Not applicable

Dividends (distributions)

Interim Dividend per share (fully franked)	nil	nil
Final Dividend per share (fully franked)	nil	nil

Dividend reinvestment plan

Not applicable

Details of associates and joint ventures

Not applicable

Foreign Entities

The results of all foreign entities have been compiled using International Financial Reporting standards (IFRS), as issued by the International Accounting Standards Board.

Status of Audit

The Preliminary Final Report has been prepared in accordance with ASX Listing Rule 4.3A and has been derived from the unaudited Financial Statements. The Financial Statements are in the process of being audited and is expected to be made available by 30 September 2025

Attachments

Details of attachments (if any)

The Preliminary Financial Statements of IXUP Limited for the year ended 30 June 2025 is attached.

The above results should be read in conjunction with the notes and commentary contained in this report.

Signed



Mr Julian Babarczy
Chairman

Dated: 29 August 2025

Dataworks Group Limited

ABN 85 612 182 368

Preliminary Unaudited Financial Statements - 30 June 2025

Dataworks Group Limited
Corporate directory
30 June 2025

Directors

Julian Babarczy (Executive Chairman)
Freya Smith (Non-Executive Director)
Ian Penrose (Non-Executive Director)

Company secretary

David Franks

Registered office and Principal
Place of Business

Level 11
201 Miller Street
North Sydney, NSW, 2060
Telephone +61 2 8206 8888
Email: contact@Dataworks.com

Share register

Automic Group Limited
Level 5, 126 Philip Street
Sydney NSW 2000
Telephone +61 2 8072 1400
Email: info@automic.com.au

Auditor

Hall Chadwick WA Audit Pty Ltd
283 Rokeby Road
Subiaco WA 6008

Solicitors

Thomson Geer

Bankers

St George Bank Limited

Stock exchange listing

Dataworks Group Limited shares are listed on the Australian Securities Exchange.

ASX code: DWG

Website

www.dataworksgroup.com.au

Place of Incorporation

Victoria, Australia

Dataworks Group Limited 30 June 2025

Result of operations

Driven by the Company's foundational contracts in Australia and Canada and supported by significant business restructuring and efficiency initiatives during the year, operating losses have been substantially reduced. The loss for the consolidated entity after providing for income tax amounted to \$10,033,239 (30 June 2024: \$10,278,358). With these contracts continuing to provide a solid revenue base, together with ongoing efficiency programs, the Company now expects to achieve cashflow positivity during the first half of FY26.

Review of operations

During the year, Dataworks Group continued to operate the world-leading BetStop™ National Self Exclusion Register - a state-of-the-art, Centralised Self Exclusion (CSE) platform that enables problem gamblers in Australia to self-exclude from all iGaming service providers for a minimum of 3 months and up to a lifetime. Operated on behalf of the Australian Government via the Australian Communications and Media Authority, BetStop has delivered robust operating metrics, with increased platform usage by problem gamblers and consistently high levels of system uptime and availability.

Highlights of the year include:

- Secured A\$10m 5-year Ontario Self Exclusion Contract.
- Secured early extension of the BetStop NSER Contract with initial 2-year renewal.
- Deployment of Secure Data Engine integrated with Microsoft Azure with multi-year SEAF Agreement.
- Successful raise of over \$5.0m via share placements.
- Appointment of Greg Nichelsen as CIO and transition of Julian Babarczy to Executive Chairman.
- Realignment of cost base to match revenue generating contracts underpinning a path to cash breakeven in FY26
- Optimisation of business divisions to support focus on the RegTech division, which is seen as the key driver of shareholder value creation.

Awarded A\$10m 5-year online gambling self-exclusion contract in Ontario, Canada

On the 2nd of August 2024 the company announced that it has been awarded an initial 5-year contract to provide an online gambling centralised self-exclusion platform for the Canadian province of Ontario.

The contract was awarded by Ontario's online gaming government agency, iGaming Ontario, after a highly competitive Request for Proposal (RFP) process to provide a new state-of-the-art CSE which will enable the effective self-exclusion of problem gamblers from the Ontario online gambling market.

Secures early extension of BetStop NSER Contract

In March 2025, the Company secured a two-year extension of its exclusive contract to operate BetStop™, Australia's National Self-Exclusion Register (NSER), from the Australian Communications and Media Authority (ACMA). This extension, which runs until at least June 2027 with further renewals anticipated, reinforces DataWorks Group's position as a global leader in Centralised Self-Exclusion (CSE) technology.

The extension is expected to generate at least \$4.25 million in annual revenue, providing reliable recurring income and a strong foundation for the Company's pathway to cash breakeven. It reflects both the robust operational performance delivered to date and the social impact of BetStop, which empowers Australians to safeguard themselves from gambling harm.

The Board believes this outcome validates the Company's strategy of leveraging its RegTech expertise to deliver secure, scalable, and socially responsible solutions. The proven performance of BetStop not only strengthens our domestic market leadership but also provides a competitive advantage as we pursue new opportunities in Australia and internationally.

Regtech leadership underpinned by strong BetStop execution

The BetStop – National Self-Exclusion Register™ – continues to demonstrate world-class performance as the Company advances its position as the global leader in Centralised Self-Exclusion (CSE) technology.

Following the initial contract renewal in early 2025, BetStop remains in a state of highly successful execution, providing meaningful and recurring cash generation for DataWorks Group. The platform has now:

- Registered more than **45,000 individuals**, with over **30,000 currently active** self-exclusions.
- Completed more than **28 billion verification checks** since launch in August 2023, with response times averaging under **5 milliseconds per check**.

- Achieved **100% system uptime** since inception, underscoring the robustness and reliability of the DataWorks Matching Service.
- Successfully integrated with **202 licensed operators**, including most of the major international gambling organisations (149 currently active).

This proven track record highlights DWG's unique position as the world's sole provider of advanced CSE solutions for the iGaming industry. The continued success of BetStop strengthens the Company's competitive advantage and provides a solid foundation for expanding into new regulatory and commercial opportunities, both domestically and internationally.

Deployment of Dataworks Secure Data Engine Integrated with Microsoft Azure and multi-year SEAF Agreement

On the 11th of September 2024 the company announced the finalisation multi-year contract with Western Australian Biodiversity Science Institute (WABSI) to deploy the Company's Secure Data Engine technology, as well as automated data sharing agreements powered with DWG's Five Safes governance framework, as part of the Shared Environmental Analytics Facility (SEAF) project.

Successful capital raisings to support execution and growth

In September and December 2024, the Company announced two separate capital raisings totalling more than \$5.0 million (before costs) from professional and sophisticated investors. The Placements received strong support from both new and existing institutional investors, including a leading funds management organisation attracted to Dataworks strong social purpose and financial potential.

Proceeds from these raisings have supported the Company's business restructuring efforts and provided a clear pathway toward cash breakeven, while also strengthening the balance sheet and positioning DataWorks Group for future growth.

Appointment of CIO Greg Nichelsen and transition of Julian Babarczy to Executive Chairman

On the 14th of November 2024 the company announced the appointment of Greg Nichelsen as Chief Information Officer (CIO). Mr Nichelsen brings 25 years of leadership in data analytics, having driven transformative data initiatives for major financial institutions globally.

On the 31st of December 2024 the company announced that Mr. Julian Babarczy transitioned from his role as Non-Executive Chairman to Executive Chairman effective from 1 January 2025. This move expands the executive leadership ranks to underpin anticipated growth.

Company Name Change and Share Consolidation

On the 17th of March 2025 the company's shareholders approved a change of company name to Dataworks Group Limited as well as a share consolidation, which were two strategic initiatives that position the Company for its next phase of growth and align with its transition towards greater institutional and potential international investor ownership.

Financial position

The Company reported sales revenue of \$7,203,965 (30 June 2024: \$6,630,857) for the financial year ended 30 June 2025. The Company continues to invest in its technology platform and at 30 June 2025 had cash and term deposits of \$404,599 (30 June 2024: \$1,147,951).

During the year the Company received an Australian Tax Office R&D tax rebate and other government rebates of \$1,146,903 (30 June 2024: \$1,582,688).

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the consolidated entity during the financial year.

Matters subsequent to the end of the financial year

No other matters or circumstances have arisen since 30 June 2025 that have significantly affected, or may significantly affect the consolidated Company's operations, the results of those operations, or the consolidated entity's state of affairs in future financial years.

Dataworks Group Limited
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General information

The consolidated financial report covers Dataworks Group Limited (the "Company") and its controlled entities (together the "Consolidated Entity" or "Group").

Dataworks Group Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Level 11
201 Miller Street
North Sydney, NSW, 2060

Dataworks Group Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Revenue			
Revenue	4	7,203,965	6,630,857
Cost of sales	5	(887,775)	(1,264,841)
Gross profit		6,316,190	5,366,016
Interest revenue calculated using the effective interest method		20,196	7,946
Research & Development Tax rebate		1,146,903	1,582,688
Expenses			
Employee benefits expense	5	(7,341,964)	(6,302,128)
Share-based costs	5	(2,253,626)	(2,004,893)
Depreciation and amortisation expense	5	(1,626,105)	(1,907,546)
Occupancy cost	5	(4,740)	643
Loss on Investments	5	(359,020)	-
Administration costs	5	(5,798,929)	(6,221,675)
Finance costs	5	(132,144)	(799,409)
Loss before income tax expense		(10,033,239)	(10,278,358)
Income tax (expense)/benefit	6	-	-
Loss after income tax expense for the year attributable to the shareholders of Dataworks Group Limited	21	(10,033,239)	(10,278,358)
Other comprehensive income for the year, net of tax			
		78,162	(265,637)
Total comprehensive loss for the year attributable to the shareholders of DATAWORKS Limited			
		(9,955,077)	(10,543,995)
		Cents	Cents
Basic earnings per share		(14.6)	(17.4)
Diluted earnings per share		(14.6)	(17.4)

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

Dataworks Group Limited
Consolidated statement of financial position
As at 30 June 2025

	Note	Consolidated 2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	7	404,599	1,147,951
Trade and other receivables	8	1,118,113	1,508,041
Work in Progress		20,481	-
Prepayments		-	28,128
Total current assets		1,543,193	2,684,120
Non-current assets			
Property, plant and equipment	9	180,901	302,454
Right-of-use assets	10	663,221	862,188
Intangibles	11	961,169	2,241,459
Investments	12	-	359,020
Deposits	13	270,737	269,939
Total non-current assets		2,076,028	4,035,060
Total assets		3,619,221	6,719,180
Liabilities			
Current liabilities			
Trade and other payables	14	2,244,278	2,296,271
Lease liabilities	15	234,580	223,370
Provisions	16	445,948	444,301
Total current liabilities		2,924,806	2,963,942
Non-current liabilities			
Borrowings	17	-	194,705
Lease liabilities	18	496,886	672,718
Provisions	19	35,254	119,679
Total non-current liabilities		532,140	987,102
Total liabilities		3,456,946	3,951,044
Net assets		162,275	2,768,136
Equity			
Issued capital	20	68,361,060	61,778,002
Reserves	21	12,974,974	17,069,687
Accumulated losses	21	(81,173,759)	(76,079,553)
Total equity		162,275	2,768,136

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

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2023	52,355,200	18,219,805	(68,590,332)	1,984,673
Loss after income tax expense for the year	-	-	(10,278,358)	(10,278,358)
Other comprehensive income for the year, net of tax	-	(265,637)	-	(265,637)
Total comprehensive loss for the year		(265,637)	(10,278,358)	(10,543,995)
Issue of shares	7,219,523	(374,310)	-	6,845,213
Share issue costs - Cash	(942,782)	523,787	-	(418,995)
Conversion of Convertible notes into Shares	2,999,714	(249,714)	-	2,750,000
<i>Transactions with shareholders in their capacity as shareholders:</i>				
Share-based payments	-	2,004,893	-	2,004,893
Options Expired	-	(2,789,137)	2,789,137	-
Contingent consideration for DataPOWA acquisition	146,347	-	-	146,347
Balance at 30 June 2024	61,778,002	17,069,687	(76,079,553)	2,768,136

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	61,778,002	17,069,687	(76,079,553)	2,768,136
Loss after income tax expense for the year	-	-	(10,033,239)	(10,033,239)
Other comprehensive income for the year, net of tax	-	78,162	-	78,162
Total comprehensive loss for the year		78,162	(10,033,239)	(9,955,077)
Issue of shares	6,881,814	(1,633,314)	-	5,248,500
Share issue costs	(571,458)	268,548	-	(302,910)
Conversion of Convertible notes into Shares	272,702	20,048	-	292,750
<i>Transactions with shareholders in their capacity as shareholders:</i>				
Share-based payments	-	2,110,876	-	2,110,876
Options Expired	-	(4,939,033)	4,939,033	-
Balance at 30 June 2025	68,361,060	12,974,974	(81,173,759)	162,275

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

	Note	Consolidated 2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers		7,532,847	6,724,189
Interest and other finance costs paid		-	(418,925)
Payments to suppliers and employees		(14,027,405)	(14,155,245)
Interest received		15,654	7,947
Government grants and tax incentives (R&D Incentive, JobKeepers Rebate, Cash Boost, EMD Grant)		<u>1,179,477</u>	<u>1,582,688</u>
Net cash used in operating activities		<u>(5,299,427)</u>	<u>(6,259,346)</u>
Cash flows from investing activities			
Payments for property, plant and equipment	9	(22,623)	(316,333)
Payments for investments in term deposits		-	(226,998)
Proceeds from term deposits		-	28,625
Other - DataPOWA cash on acquisition		<u>-</u>	<u>-</u>
Net cash used in investing activities		<u>(22,623)</u>	<u>(514,706)</u>
Cash flows from financing activities			
Proceeds from issue of shares		5,148,500	6,845,214
Payment for share and issue transaction costs		(307,106)	(418,995)
Proceeds from issue of options		-	-
Proceeds of issue of Convertible Note		-	-
Repayment of borrowings		(22,459)	(9,955)
Repayment of lease liabilities		<u>(223,370)</u>	<u>(144,060)</u>
Net cash from financing activities		<u>4,595,565</u>	<u>6,272,204</u>
Net increase in cash and cash equivalents		(726,485)	(501,848)
Cash and cash equivalents at the beginning of the financial year		1,147,951	1,642,869
Effects of exchange rate changes on cash and cash equivalents		<u>(16,867)</u>	<u>6,930</u>
Cash and cash equivalents at the end of the financial year	7	<u><u>404,599</u></u>	<u><u>1,147,951</u></u>

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

Note 1. Significant accounting policies

The principal accounting policies adopted in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

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

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

Going concern

The financial report has been prepared on a going concern basis which assumes the settlement of liabilities and the realisation of assets in the normal course of business.

The Group has incurred a loss of \$10,033,239 (2024: \$10,278,358) and experienced net cash outflows from operating activities of \$5,299,427 (2024: \$6,259,346). As at 30 June 2025, the Group had cash and cash equivalents of \$404,599 (2024: \$1,147,951).

The Group's ability to continue as a going concern, to recover the carrying value of its assets and meet its commitments as and when they fall due is dependent on the ability of the Group to raise additional capital or obtain external financing in the next few months. The Board is assessing capital raising opportunities as at the date of this report.

The Directors believe that the Group will be able to continue as a going concern after consideration of the following factors:

- The ability of the Company to raise the additional capital, for which it has a successful history in doing so;
- Commercialisation of its intellectual property, to deliver future revenue; and
- Recognising that the priority of the Board and management remains revenue growth and cost reductions.

Whilst the directors acknowledge there are timing risks associated with the completion of successful capital raisings which have a direct impact on the Company's ability to meet liabilities when due, the directors believe that this will be successful.

However, if the capital raising and other factors mentioned above do not eventuate, there is a material uncertainty that may cast significant doubt as to whether the Company will continue as a going concern and, therefore, whether the Company will realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the financial statements.

The financial statements do not include adjustments relating to the recoverability and classification of recorded asset amounts nor to the amounts and classification of liabilities that might be necessary should the Company not continue as a going concern.

Basis of preparation

Dataworks Group Limited is domiciled in Australia. The consolidated financial statements comprise the results of Dataworks Group Limited ("the Company") and its controlled entities ("the Group"). The consolidated financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australia Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting 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, where applicable, the valuation of share-based payments.

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 2.

Note 1. Significant accounting policies (continued)

The significant accounting policies adopted in the preparation of these financial statements are presented below.

Parent entity information

In accordance with the Corporations Act 2001, these financial statements present the results of the Group only.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Dataworks Group are eliminated in full on consolidation.

Foreign Currencies

In preparing the financial statements, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

Revenue recognition

All revenue is stated net of the amount of goods and services tax (GST).

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

- Step 1: Identify the contract with a customer;
- Step 2: Identify the performance obligations in the contract and determine at what point they are satisfied;
- Step 3: Determine the transaction price;
- Step 4: Allocate the transaction price to the performance obligations;
- Step 5: Recognise revenue as the performance obligations are satisfied.

(i) Identification of performance obligations

The Group has determined that for new software sales, the licenses and implementation services are quoted as separate line items and have separate list prices and therefore are not distinct performance obligations as the customer is purchasing customisable software which requires not only the licenses to be provisioned but the software to be installed by a qualified implementation consultant.

Licensing and technical support which is purchased by software customers to assist with their ongoing use of the software and is separate from the software implementation performance obligation.

(ii) Satisfaction of performance obligations

The performance obligation for the implemented software is satisfied at the point in time when the software has been installed and is operating materially as contractually required. It is when the customer has full access to and control of the software

The performance obligation for providing software customers with licensing and technical support remains throughout the contract period so is satisfied over the contract period.

In addition to contracts with customers, the Group receives interest income from monies held in its bank accounts, Interest income is recognised on an accruals basis based on the interest rate, deposited amount and time which lapses before the reporting period end date.

Note 1. Significant accounting policies (continued)

The expected future Research and Development incentive, for past qualifying Research and Development expenditure is accrued as other income when it is established that the conditions of the Research and Development incentive have been met and that the expected amount of the incentive can be reliably measured.

Government Grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to the grant and that the grant will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which grants are intended to compensate. If the grant relates to expenses or losses already incurred by the entity, or to provide immediate financial support to the entity with no future related costs, the income is recognised in the period in which it becomes receivable.

Cash and cash equivalents

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

Derivative financial instruments

Hedges of a net investment

Hedges of a net investment in a foreign operation include monetary items that are considered part of the net investment. Gains or losses on the hedging instrument relating to the effective portion of the hedge are recognised directly in equity whilst gains or losses relating to the ineffective portion are recognised in profit or loss. On disposal of the foreign operation, the cumulative value of any such gains or losses recognised directly in equity is transferred to profit or loss.

Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets

Financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless, an accounting mismatch is being avoided.

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at fair value through profit or loss

Financial assets not measured at amortised cost or at fair value through other comprehensive income are classified as financial assets at fair value through profit or loss. Typically, such financial assets will be either: (i) held for trading, where they are acquired for the purpose of selling in the short-term with an intention of making a profit, or a derivative; or (ii) designated as such upon initial recognition where permitted. Fair value movements are recognised in profit or loss.

Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income include equity investments which the Group intends to hold for the foreseeable future and has irrevocably elected to classify them as such upon initial recognition.

Compound financial instruments

The component parts of convertible loan notes issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and definitions of a financial liability and an equity instrument. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of the Company's own equity instruments is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The Conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effect, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion

Note 1. Significant accounting policies (continued)

option is exercised, in which case the balance is recognized in equity will be transferred to the Share premium account. Where the conversion option remains unexercised at the maturity date of the convertible loan note, the balance recognized in equity will be transferred to retained earnings. No gain or loss is recognized in profit or loss upon conversion or expiration of the conversion option. Transaction costs that relate to the issue of the convertible loan notes are allocated to the liability and equity components in proportion to the allocation of gross proceeds. Transaction costs relating to the equity component are recognized directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible loan notes using the effective interest method. Refer to note 26 for further information on financial instruments.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets measured at fair value through other comprehensive income, the loss allowance is recognised within other comprehensive income. In all other cases, the loss allowance is recognised in profit or loss.

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.

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.

Property, plant and equipment

Each class of property, plant and equipment is carried at cost less, where applicable, any accumulated depreciation and impairment losses. Plant and equipment are measured using the cost model.

Costs include purchase price, other directly attributable costs and the initial estimate of the costs of dismantling and restoring the asset, where applicable.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. An individual asset will be depreciated in full at the time of purchase if any of the following criteria is met:

Note 1. Significant accounting policies (continued)

- The cost of the asset is less than \$2,000, or
- The asset has an expected useful life of less than 12 months, or
- The asset will become technically obsolete (particularly relating to computer equipment) in less than 12 months.

Buildings	40 years
Leasehold improvements	3-10 years
Plant and equipment	2-7 years
Computer equipment	2-5 years

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 included in 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 consolidated entity 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 consolidated entity 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 and development

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally-generated intangible can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset; and
- how the intangible asset will generate probable future economic benefits.

Amortisation is recognised so as to write off the cost of internally-generated assets over their useful lives, using the straight-line method. The estimated useful lives and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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.

Website

Significant costs associated with the development of the revenue generating aspects of the website, including the capacity of placing orders, are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 10 years.

Note 1. Significant accounting policies (continued)

Intellectual property

Significant costs associated with intellectual property are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 5 years.

Trademarks and other intangibles including customer contracts

Significant costs associated with Trademarks and other intangibles are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 8 years.

Software

Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 3.33 years.

Contract liabilities

Contract liabilities represent the consolidated entity's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the consolidated entity recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the consolidated entity has transferred the goods or services to the customer.

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 consolidated entity'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.

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 using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in the notes to the accounts.

Equity-settled transactions are awards of shares, or options over shares, that are provided to employees in exchange for the rendering of services. Cash-settled transactions are awards of cash for the exchange of services, where the amount of cash is determined by reference to the share price.

The costs of equity-settled transactions are measured at fair value on grant date. Fair value is independently determined using an appropriate option valuation 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

Note 1. Significant accounting policies (continued)

conditions.

The costs 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.

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

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.

Goods and Services Tax ('GST') and other similar taxes

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

Receivables and payables are stated inclusive of GST. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Current tax liabilities are therefore measured at the amounts expected to be paid to / recovered from the relevant taxation authority.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Note 1. Significant accounting policies (continued)

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 consolidated entity for the annual reporting period ended 30 June 2023. There are no standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Note 2. Critical accounting judgements, estimates and assumptions

In the application of the Group's accounting policies, which are described in Note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

Share-based payment transactions

The Group measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by using the Black-Scholes model taking into account the terms and conditions upon which the instruments were granted. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact profit or loss and equity.

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.

Note 3. Operating segments

Identification of reportable operating segments

The Group currently operates in one operating segment being the software industry. The Group continues to consider new projects in this sector and others by way of acquisition or investment. The Group operated in three geographic segments that being Australia, UK and US.

The Group determines and presents segments based on information provided by the Board of directors who collectively are the Group's Chief Operating Decision Maker. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses.

Operating segment information

FY2025	AUSTRALIA	UK	US	TOTAL	ADJUSTMENTS AND ELIMINATIONS	CONSOLIDATED
REVENUE (\$)						
Sales to external customers	6,758,323	445,641	-	7,203,965	-	7,203,965
Interest Income	20,196	-	-	20,196	-	20,196
Total Revenue	6,778,519	445,641	-	7,224,161	-	7,224,161
Income/(Expenses)						
Other Income	1,146,903	-	-	1,146,903	-	1,146,903
Employee Expenses	(6,367,644)	(974,320)	-	(7,341,964)	-	(7,341,964)
Depreciation and Amortisation	(1,587,064)	(38,951)	-	(1,626,015)	-	(1,626,015)
Other expenses	(8,534,435)	(901,889)	-	(9,436,324)	-	(9,436,324)
Segment Profit	(8,563,721)	(1,469,518)	-	(10,033,239)	-	(10,033,239)
Total Assets	3,525,896	53,393	39,932	3,619,221	-	3,619,221
Total Liabilities	3,115,511	341,435	-	3,456,946	-	3,456,946
FY2024	AUSTRALIA	UK	US	TOTAL	ADJUSTMENTS AND ELIMINATIONS	CONSOLIDATED
REVENUE (\$)						
Sales to external customers	6,233,682	397,175	-	6,630,857	-	6,630,857
Interest Income	7,946	-	-	7,946	-	7,946
Total Revenue	6,241,628	397,175	-	6,638,803	-	6,638,803
Income/(Expenses)						
Other Income	1,338,689	243,999	-	1,582,688	-	1,582,688
Employee Expenses	(7,490,484)	(816,536)	-	(8,307,020)	-	(8,307,020)
Depreciation and Amortisation	(1,525,646)	(381,900)	-	(1,907,546)	-	(1,907,546)
Other expenses	(7,141,388)	(799,798)	(344,098)	(8,285,284)	-	(8,285,284)
Segment Profit	(8,577,201)	(1,357,060)	(344,098)	(10,278,359)	-	(10,278,359)
Total Assets	6,543,668	110,737	64,775	6,719,180	-	6,719,180
Total Liabilities	3,853,724	85,313	12,007	3,951,044	-	3,951,044

Note 4. Revenue

	Consolidated	
	2025	2024
	\$	\$
Software revenue	<u>7,203,965</u>	<u>6,630,857</u>

Note 5. Expenses

Loss before income tax includes the following specific expenses:

	Consolidated	
	2025	2024
	\$	\$
<i>Cost of sales</i>		
Cost of sales	(887,775)	(1,264,841)
<i>Depreciation</i>		
Depreciation	359,828	194,087
Amortisation	1,266,277	1,713,459
Total depreciation and amortisation	1,626,105	1,907,546
<i>Administrative Costs</i>		
Professional adviser and legal costs	2,231,630	3,052,563
Consulting costs paid to entities related to the directors	315,680	254,571
Recruitment costs	67,710	94,915
Advertising and promotion	81,179	44,532
Travel and accommodation	271,012	181,999
Software licenses	965,078	608,877
Insurance	401,767	359,680
Other	1,464,873	1,624,538
	5,798,929	6,221,675
<i>Employee benefits expense</i>		
Wages and salaries	6,852,459	6,007,880
Superannuation costs	572,283	535,156
Other employee benefits	(82,778)	(240,908)
	7,341,964	6,302,128
<i>Occupancy costs</i>		
Rent (short term lease payments)	4,740	(643)
Other occupancy costs	-	-
	4,740	(643)
<i>Finance costs</i>		
Interest costs	-	2,083
Interest and finance charges related to Convertible note	-	725,090
Interest and finance charges paid/payable on lease liabilities	132,144	72,236
Finance costs expensed	132,144	799,409
<i>Share-based payments expense</i>		
Share-based payments expense	2,253,626	2,004,893
<i>Loss On investments</i>		
Loss on Ziroh Investment	359,020	-

Note 6. Income tax expense

	Consolidated	2024
	2025	2024
	\$	\$
<i>Numerical reconciliation of income tax expense and tax at the statutory rate</i>		
Loss before income tax expense	(10,033,239)	(10,278,358)
Tax at the statutory tax rate of 25% (2024: 25%)	(2,508,310)	(2,569,590)
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Share-based payments	563,407	501,223
Non deductible Impairment of Goodwill	-	-
Non assessable other income	-	-
Non assessable Research & Development refund	286,726	395,672
	(1,658,177)	(1,672,695)
Current year temporary differences not recognised	1,658,177	1,672,695
Income tax expense/(benefit)	-	-

	Consolidated	2024
	2025	2024
	\$	\$
<i>Tax losses not recognised</i>		
Unused tax losses for which no deferred tax asset has been recognised	54,030,794	41,108,929
Potential tax benefit at statutory tax rates	13,507,699	10,277,231

The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.

The tax rate used for the reconciliation above is the relevant corporate tax rate payable by the Company on taxable profits under Australian tax law.

Deferred tax assets and liabilities

	Consolidated	2024
	2025	2024
	\$	\$
<i>Deferred tax assets not recognised</i>		
Deferred tax assets not recognised comprises temporary differences attributable to:		
Employee benefits	(20,695)	(60,227)
Entertainment	(2,501)	(2,527)
Depreciation	5,102	1,722
Payroll accrual	1,448	15,070
Deferred tax assets used to offset deferred tax liabilities	24,053	23,708
Tax losses carried forward	13,507,699	10,277,231
Deferred tax assets not brought into account	(13,515,106)	(10,254,977)
Total deferred tax assets recognised	-	-

Note 6. Income tax expense (continued)

	Consolidated 2025 \$	2024 \$
Deferred tax liability		
Accrued expenses	(24,053)	(94,833)
Acquisition of Customer Contracts	-	-
Deferred tax assets used to offset deferred tax liabilities	<u>24,053</u>	<u>94,833</u>
	<u>-</u>	<u>-</u>

Deferred tax assets have not been recognised in respect of the above items because it is not possible at this stage of development to explicitly confirm the probability that future taxable profit will be available against which the Company can utilise these benefits.

Note 7. Current assets - cash and cash equivalents

	Consolidated 2025 \$	2024 \$
Cash at bank	354,599	1,097,951
Term deposits	<u>50,000</u>	<u>50,000</u>
	<u>404,599</u>	<u>1,147,951</u>

Term deposits has an interest rate of 4.95% p.a.

Note 8. Current assets - Trade and other receivables

	Consolidated 2025 \$	2024 \$
Trade receivables	1,032,286	1,413,317
GST	85,827	94,724
Provision for doubtful debts	<u>-</u>	<u>-</u>
	<u>1,118,113</u>	<u>1,508,041</u>

Allowance for expected credit losses

The consolidated entity has recognised a doubtful debts expense of \$Nil (2024: \$NIL) in profit or loss in respect of the expected credit losses for the year ended 30 June 2025.

Trade Receivables (\$)	Gross 2025	Impaired 2025	Net 2025	Past due but no impaired 2025	Gross 2024	Impaired 2024	Net 2024	Past due but not impaired 2024
Not past Due	995,042	-	995,042	-	1,001,341	-	1,001,341	-
Past due up to 30 days	15,745	-	15,745	-	398,776	-	398,776	-
Past due 31 days to 90 days	17,680	-	17,680	-	-	-	-	-
Past due over 90 days	3,819	-	3,819	-	13,200	-	13,200	-
	1,032,286	-	1,032,286	-	1,413,317	-	1,413,317	-

Note 9. Non-current assets - property, plant and equipment

	Consolidated	
	2025 \$	2024 \$
Computer equipment - at cost.	183,880	161,717
Less: Accumulated depreciation	<u>(147,328)</u>	<u>(122,589)</u>
	<u>36,552</u>	<u>39,128</u>
Office equipment - at cost	321,078	320,618
Less: Accumulated depreciation	<u>(176,729)</u>	<u>(57,292)</u>
	<u>144,349</u>	<u>263,326</u>
	<u>180,901</u>	<u>302,454</u>

Reconciliations

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

Consolidated	Computer equipment \$	Office equipment \$	Total \$
Balance at 1 July 2023	53,808	3,060	56,868
Additions	11,750	304,583	316,333
Disposals	-	-	-
Exchange Differences	-	-	-
Depreciation expense	(26,430)	(44,317)	(70,747)
Balance at 30 June 2024	39,128	263,326	302,454
Additions	22,163	460	22,623
Disposals	-	-	-
Exchange differences	-	-	-
Depreciation expense	<u>(24,739)</u>	<u>(119,437)</u>	<u>(144,176)</u>
Balance at 30 June 2025	<u>36,552</u>	<u>144,349</u>	<u>180,901</u>

Note 10. Non-current assets - right-of-use assets

	Consolidated	
	2025 \$	2024 \$
Right-of-use asset	994,832	994,832
Less: Accumulated depreciation	<u>(331,611)</u>	<u>(132,644)</u>
	<u>663,221</u>	<u>862,188</u>

The consolidated entity leases an office with lease terms of 5 years. The lease commenced 1 November 2023. Depreciation for the year for the right-of-use asset was \$198,967.

Note 10. 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 asset \$	Total \$
Balance at 1 July 2023	155,024	155,024
Additions	994,832	994,832
Disposals	(155,024)	(155,024)
Depreciation expense	(132,644)	(132,644)
Balance at 30 June 2024	862,188	862,188
Additions	-	-
Disposals	-	-
Depreciation expense	(198,967)	(198,967)
Balance at 30 June 2025	<u>663,221</u>	<u>663,221</u>

Note 11. Non-current assets - intangibles

	Consolidated	
	2025	2024
	\$	\$
Goodwill - at cost	<u>406,288</u>	<u>406,288</u>
Customer Contracts - at cost	1,344,565	1,344,565
Less: Accumulated amortisation	<u>(1,344,565)</u>	<u>(713,679)</u>
	-	630,886
Website - at cost	1,194,680	1,194,680
Less: Accumulated amortisation	<u>(1,194,680)</u>	<u>(1,180,980)</u>
	-	13,700
Intellectual Property	3,014,316	3,014,316
Less: Accumulated amortisation	<u>(2,459,435)</u>	<u>(1,823,731)</u>
	<u>554,881</u>	<u>1,190,585</u>
	<u>961,169</u>	<u>2,241,459</u>

Note 11. 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 \$	Customer Contracts \$	Website \$	Intellectual Property \$	Total \$
Balance at 1 July 2023	406,288.	1,344,565	431,412	1,785,457	3,967,722
Additions through business combinations (Note 32)	-	-	-	-	-
Amortisation expense	-	(713,679)	(417,712)	(594,872)	(1,726,263)
Balance at 30 June 2024	406,288	630,886	13,700	1,190,585	2,241,459
Additions	-	-	-	-	-
Amortisation expense	-	(630,886)	(13,700)	(635,704)	(1,280,290)
Impairment expense	-	-	-	-	-
Balance at 30 June 2025	406,288	-	-	554,881	961,169

The Company reviews its intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Goodwill

During the financial year 2023 the company purchased the contract to operate and develop BetStop – The National Self Exclusion register for \$1,325,000. The identification and fair value measurement of the assets and liabilities acquired from the BetStop acquisition are provisional and amendments may be made to these figures up to 12 months following the date of acquisition. Per note 11 \$406,288 has been recognized as Goodwill in relation to the acquisition.

Goodwill is subject to impairment testing on an annual basis or whenever there is an indication of impairment. Capitalised development costs, website and software costs are subject to impairment testing whenever there is an indication of impairment.

Customer Contracts

During the financial year 2023 the company purchased the contract to operate and develop BetStop – The National Self Exclusion register for \$1,325,000. The identification and fair value measurement of the assets and liabilities acquired from the BetStop acquisition are provisional and amendments may be made to these figures up to 12 months following the date of acquisition. Per note 11 \$1,344,465 has been recognized as Customer Contracts in relation to the acquisition.

Customer Contracts are impaired over the period of the contract length.

Website

During the year ended 30 June 2025, the gross carrying value of Website equated to \$1,194,680 (2024;\$1,180,980). This asset is being depreciated on a straight-line basis at 33% per annum.

Accumulated depreciation of this Website totaled \$1,194,680 (2024; \$1,180,980), giving net written down value of \$Nil (2024: \$13,700) at financial year end.

Intellectual Property

During the year ended 30 June 2021, the company completed the strategic acquisition of the entire intellectual property of Data Republic Pty Ltd. The acquisition is capitalised at cost of \$2,974,360 and is being depreciated on a straight-line basis at 20% per annum. During the FY24 period the Company purchased the trademark, URL and other intellectual property of Playpause for \$25,000 USD

Accumulated depreciation of this Intellectual Property totaled \$2,459,435, giving net written down value of \$554,881 at financial year end.

Based on the replacement value to develop the intellectual property of Data Republic and the ongoing commercialisation of the software no indicators of impairment were identified as at 30 June 2025.

Note 12. Non-current assets - Investments

	Consolidated	
	2025	2024
	\$	\$
Investments in other entities	-	359,020

Dataworks invested in a convertible note in Ziroh Labs Inc, on 18 April 2022 for \$240k USD. The note had a 12 month maturity date, 5% per annum interest rate and option to be repaid or converted to common stock. Participation in the note allowed Dataworks to purchase a 10 year royalty free licence for Ziroh Labs Inc. products including homomorphic libraries for \$10k USD. Dataworks has written this investment off.

Note 13. Non-current assets - Deposits

	Consolidated	
	2025	2024
	\$	\$
Security Deposit	270,737	269,939

This amount represents two security deposits for the office space rented and US payroll supplier. On termination or cancellation of both contracts the deposits will be refunded.

Note 14. Current liabilities - trade and other payables

	Consolidated	
	2025	2024
	\$	\$
Trade payables	840,943	621,822
Accrued expenses	152,514	145,709
PAYG withholding payable	1,059,869	1,348,843
Superannuation payable	147,894	142,127
Wages payable	-	12,614
Other payables	43,058	25,156
	<u>2,244,278</u>	<u>2,296,271</u>

The average credit period allowed by trade creditors to the Group which are not related parties is approximately 36 days.

Note 15. Current liabilities – lease liabilities

	Consolidated	
	2025	2024
	\$	\$
Lease liability	234,580	223,370

This balance relates to the application of accounting standard AASB 16 in effect from 1 July 2019. Refer to note 10 for details.

The consolidated entity leases an office with lease terms of 5 years, which commenced 1 November 2023.

Note 16. Current liabilities – provisions

	Consolidated	
	2025	2024
	\$	\$
Annual leave	367,928	391,281
Long Service Leave	78,020	53,020
	<u>445,948</u>	<u>444,301</u>

Note 17. Non-Current liabilities – Borrowings

	Consolidated	
	2025	2024
	\$	\$
Bank Loans	-	20,560
Convertible Note	-	174,145
	<u>-</u>	<u>194,705</u>

Note 18. Non-Current liabilities – lease liabilities

	Consolidated	
	2025	2024
	\$	\$
Lease liability	496,886	672,718

Note 19. Non-current liabilities - provisions

	Consolidated	
	2025	2024
	\$	\$
Long service leave	35,254	119,679

Note 20. Equity - issued capital

	2025	Consolidated		2024
	Shares	2025	2024	\$
		\$		\$
Ordinary shares - fully paid	102,224,044	1,542,752,593	68,361,060	61,778,002

Movements in ordinary share capital

Note 20. Equity - issued capital (Cont.)

Details	Date	Shares	\$
Balance	30 June 2023	1,035,492,675	52,355,200
Issue of shares	11 August 2023	33,333,334	2,000,000
Issue of shares	4 September 2023	12,782,644	766,959
Issue of shares	20 December 2023	3,000,000	374,310
Issue of shares	20 December 2023	2,926,939	146,347
Issue of shares	8 April 2024	144,999,997	2,175,000
Issue of shares	8 April 2024	89,736,673	1,346,050
Issue of shares	16 April 2024	182,146,998	2,732,205
Issue if shares	6 June 2024	38,333,333	575,000
Share issue costs		-	(693,069)
Balance	30 June 2024	1,542,752,593	61,778,002
Issue of shares	24 July 2024	5,000,000	100,000
Issue of shares	3 October 2024	123,233,333	1,848,500
Issue of shares	16 December 2024	320,000,000	3,200,000
Issue of shares	31 December 2024	25,000,000	272,702
Issue of shares	6 January 2025	16,000,000	1,108,314
Issue of shares	18 March 2025	10,000,000	100,000
Consolidation of shares	3 April 2025	(1,939,886,882)	-
Issue if shares	11 April 2025	125,000	525,000
Share issue costs		-	(571,458)
Balance	30 June 2025	<u>102,224,044</u>	<u>68,361,060</u>

Options

Details	Date	Options
Balance	30 June 2023	283,884,999
Cancelled due to forfeiture during the year	Various dates	(56,384,999)
Issue of plan options as part of capital raises	4 September 2024	33,058,032
Issue of plan options to consultants	20 December 2024	3,000,000
Issue of plan options to consultants and Directors	6 June 2024	105,000,000
		<u>368,558,032</u>
Cancelled due to forfeiture during the year	Various dates	(220,000,000)
Issue of plan options to staff	Various dates	54,000,000
Issue to Lead Managers	18 March 2025	40,000,000
Issue of plan options as part of capital raises	Various dates	226,616,664
Issue convertible note redemption	18/3/2025	12,500,000
Issue to Lead Managers	18 March 2025	35,000,000
Consolidation adjustment	21 March 2025	(490,399,593)
Balance	30 June 2025	<u>25,833,649</u>

Note 20. Equity - issued capital (Continued)

Performance Rights

Details	Date	Performance Rights
Balance	30 June 2023	100,757,299
Cancelled due to forfeiture during the year		(3,000,000)
Balance	30 June 2024	97,757,299
Cancelled due to forfeiture during the year	Various Dates	(60,363,263)
Exercised	6 January 2025	(18,500,000)
Issue to Staff	24 July 2024	35,000,000
Consolidation Adjustment	21 March 2025	(51,199,334)
Balance	30 June 2025	2,694,702

Ordinary shares

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

Capital risk management

The consolidated entity'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 consolidated entity may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The consolidated entity 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 consolidated entity 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.

Note 21. Reserves

	Consolidated	
	2025	2024
	\$	\$
Foreign currency reserve	(231,256)	(309,418)
Equity-settled reserves	5,968,965	6,480,672
Options reserve	7,237,265	10,898,433
	<u>12,974,974</u>	<u>17,069,687</u>

Equity-settled reserve

To determine the fair value of the warrants, the Dataworks Group engaged the support of a professional adviser, who estimated the fair value of the warrants using a widely accepted valuation methodology and assumptions based on historical data for similar publicly-listed securities.

Options reserve

The reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration as part of their compensation for services. It is also used to recognise the value of equity benefits issued to advisors.

Movements in reserves

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

Consolidated	Foreign currency reserve \$	Equity-settled reserve \$	Options reserve \$	Total \$
Balance at 1 July 2023	(43,781)	6,480,672	11,782,914	18,219,805
Foreign currency translation	(265,637)	-	-	(265,637)
Share based payments	-	-	2,004,893	2,004,893
Performance rights converted to shares	-	-	(374,310)	(374,310)
Share issue costs - Equity	-	-	523,787	523,787
Conversion of Convertible note	-	-	(249,714)	(249,714)
Options Expired	-	-	(2,789,137)	(2,789,137)
Balance at 30 June 2024	(309,418)	6,480,672	10,898,433	17,069,687
Foreign currency translation	78,162	-	-	78,162
Share based payments	-	1,149,556	961,320	2,110,876
Performance rights converted to shares	-	(1,633,314)	-	(1,633,314)
Share issue costs - Equity	-	-	268,548	268,548
Performance rights vesting to staff	-	-	-	-
Conversion of Convertible note to shares	-	-	20,048	20,048
Options Lapsed.	-	(27,949)	-	(27,949)
Options Expired	-	-	(4,911,084)	(4,911,084)
Balance at 30 June 2025	<u>(231,256)</u>	<u>5,968,965</u>	<u>7,237,265</u>	<u>12,974,974</u>

	Consolidated	
	2025	2024
	\$	\$
Accumulated losses at the beginning of the financial year	(76,079,553)	(68,590,332)
Loss after income tax expense for the year	(10,033,239)	(10,278,358)
Transfer relating to options and rights expired and/or cancelled	4,939,033	2,789,137
Accumulated losses at the end of the financial year	<u>(81,173,759)</u>	<u>(76,079,553)</u>