



## **Appendix 4E**

### **Preliminary Final Report For The Year Ended 31 December 2025**

#### **Details of the Reporting Period**

Name and entity	WAY 2 VAT LTD and Controlled Entities
ARBN	637 709 114
Reporting period	12 months ended 31 December 2025 (FY25)
Previous Corresponding Period	12 months ended 31 December 2024 (FY24 and pcp)
Currency	All figures are in AUD

#### **Results Announcement to the market (AUD in thousand):**

	<u>2025</u>	<u>2024</u>	<u>Movement %</u>
Revenues from ordinary activities	6,636	4,558	46%
Loss from ordinary activities			
After tax attributable to owners	(4,788)	(5,582)	(14)%
Net Loss for the period			
attributable to owners	(6,797)	(5,488)	24%

#### **Commentary on the Results for the Year**

##### **Results for FY25 included the following key movements:**

- Reported revenue of \$6.6 million, up 46% on pcp (FY24: \$4.6 million)
- Enterprise clients increased 27% from 395 to 501, including global real estate service companies JLL and Savills, pharmaceutical conglomerates Aptar Group and Apellis, one of the worlds largest suppliers of commodities the Trafigura Group and Rakuten, one of the worlds largest ecommerce sites
- During 2025 the Company launched its four pillars growth strategy moving to a business model with four distinct revenue sources and a greater percentage of SaaS revenues
- The RBC acquisition was completed on 30 September 2025 (see ASX announcement 23 September 2025). RBC is a UK-based specialist VAT advisory and compliance firm

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with over 20 years of operating history. The transaction strengthened W2V's European presence and enhanced its advisory capabilities, directly complementing the company's automated technology platform.

- During September 2025, Way2VAT secured \$4.1 million (before costs) via a placement to fund the initial consideration of the RBC purchase and for working capital. The \$4.1 million placement was strongly supported by new and existing institutional, professional and sophisticated investors.
- Earlier in the year, in January, the company raised \$2.55 million via the issue of convertible notes which were subsequently converted to equity during May 2025 and raised \$2.0 million via a placement of ordinary shares in June 2025.
- Excluding December quarter RBC expenses, one off expenses related to the RBC acquisition and one off performance based options expenses the underlying Way2VAT business decreased costs on a like for like basis by 5% in FY25 vs FY24.

#### **Statement of Profit or Loss and Other Comprehensive Income with Notes to the Statement**

Refer to the 31 December 2025 attached financial statements and accompanying notes for Way2Vat Limited.

#### **Statement of Financial Position with Notes to the Statement**

Refer to the 31 December 2025 attached financial statements and accompanying notes for Way2Vat Limited.

#### **Statement of cash flows with Notes to the Statement**

Refer to the 31 December 2025 attached preliminary consolidated financial statements and accompanying notes for Way2Vat Limited.

#### **Statement of retained earnings and change in equity**

Refer to the 31 December 2025 attached preliminary consolidated financial statements and accompanying notes for Way2Vat Limited.

#### **Dividends**

No dividends have been paid during the year and the company does not propose to pay any final dividend.

#### **Details of dividend reinvestment plans**

The Company does not have a dividend reinvestment plan.

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## Net Tangible Assets Per Security

	<u>2025</u>	<u>2024</u>
	\$/share	\$/share
Net tangible assets per ordinary share	(0.008)	(0.036)

## Details of Controlled Entities:

Entity name	Country of incorporation	Proportion of ownership interest on December 31		Held by
		<u>2025</u>	<u>2024</u>	
WAY2VAT UK Limited	UK	100%	100%	WAY2VAT Ltd.
DevoluIVA S.L.U	Spain	100%	100%	WAY2VAT Ltd.
WAY2VAT SRL	Romania	100%	100%	WAY2VAT Ltd.
WAY2VAT Inc.	USA	100%	100%	WAY2VAT Ltd.
Bevan & Bevan Limited	UK	100%	-	WAY2VAT Ltd.
RBCVAT Limited	UK	100%	-	WAY2VAT Ltd.

The Group does not have any investments in Associates or Joint Ventures.

## Status of Audit

This report is based on accounts which are in the process of being audited. The Audited Annual Report is expected to be released by 31 March 2026.

Signed  \_\_\_\_\_

CEO

Date: 26 February 2026

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WAY2VAT LTD.

ARBN 637 709 114

Appendix 4E Preliminary Report

**PRELIMINARY CONSOLIDATED FINANCIAL STATEMENTS**

**AS OF 31 DECEMBER 2025**

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WAY2VAT LTD.

PRELIMINARY CONSOLIDATED STATEMENT OF LOSS AND OTHER COMPREHENSIVE LOSS

(AUD in thousands, except for loss per share)

	Note	Year ended 31 December	
		2025	2024
Revenues		6,636	4,558
Cost of revenues		<u>1,287</u>	<u>820</u>
<b>Gross profit</b>		5,349	3,738
Research and development expenses	3	2,570	2,553
Selling and marketing expenses	4	2,518	2,463
General and administrative expenses	5	<u>5,049</u>	<u>4,304</u>
<b>Operating loss</b>		(4,788)	(5,582)
Financial expenses		(1,988)	(528)
Financial income		<u>56</u>	<u>622</u>
<b>Loss before taxes on income</b>		<u>(6,720)</u>	<u>(5,488)</u>
Taxes on income		<u>77</u>	<u>-</u>
<b>Loss for the year</b>		<u>(6,797)</u>	<u>(5,488)</u>
<b>Other comprehensive loss:</b>			
<i>Item that will not be reclassified to profit or loss:</i>			
Exchange gains/(losses) arising on translation to reporting currency		<u>17</u>	<u>(136)</u>
<b>Total comprehensive loss for the year</b>		<u>(6,780)</u>	<u>(5,624)</u>
<b>Loss per share</b>			
Basic and diluted loss per share (\$)		<u>(0.04)</u>	<u>(0.06)</u>

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WAY2VAT LTD.

PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(AUD in thousands)

	Note	As of 31 December	
		2025	2024
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and cash equivalents		768	131
Trade receivables		6,983	4,495
Other accounts receivables	6	320	253
		<u>8,071</u>	<u>4,879</u>
<b>Non-Current Assets:</b>			
Right-of-use assets		944	1,095
Intangible assets	7	3,208	1,190
Property, plant and equipment, net		41	53
		<u>4,193</u>	<u>2,338</u>
<b>Total Assets</b>		<u>12,264</u>	<u>7,217</u>

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**WAY2VAT LTD.**  
**PRELIMINARY CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT.)**  
**(AUD in thousands)**

	Note	As of 31 December	
		2025	2024
<b>LIABILITIES AND EQUITY DEFICIT</b>			
<b>Current Liabilities:</b>			
Bank loans		2,629	2,028
Governmental loan		31	90
Trade payables		575	699
Lease liabilities		345	313
Contingent consideration		-	43
Liability for royalties payable		264	220
Derivative liability – options		482	162
Other accounts payables	7	4,469	3,745
		<u>8,795</u>	<u>7,300</u>
<b>Non-Current Liabilities:</b>			
Bank loans		168	-
Governmental loan		335	365
Lease liabilities		569	782
Liability for royalties payable		477	547
Other liabilities		408	353
		<u>1,957</u>	<u>2,047</u>
<b>Equity (Deficit):</b>			
Share capital		9,695	3,888
Additional paid in capital		40,254	35,901
Share based payment reserve		4,632	4,370
Adjustments arising from translation to reporting currency		(948)	(965)
Accumulated losses		<u>(52,121)</u>	<u>(45,324)</u>
<b>Total Equity Deficit</b>		<u>1,512</u>	<u>(2,130)</u>
<b>Total Liabilities and Equity Deficit</b>		<u>12,264</u>	<u>7,217</u>

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WAY2VAT LTD.

PRELIMINARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (DEFICIT)

(AUD in thousands)

	Share capital	Additional paid in capital	Shares based payment reserve	Adjustments arising from translation to reporting currency	Accumulated losses	Total
<b>Balance as of 1 January 2024</b>	2,721	31,631	4,841	(829)	(39,836)	(1,472)
<b>Changes during 2024:</b>						
Loss for the year	-	-	-	-	(5,488)	(5,488)
Other comprehensive loss	-	-	-	(136)	-	(136)
Total comprehensive loss for the year	-	-	-	(136)	(5,488)	(5,624)
Issuance of shares in connection with conversion of the Convertible Notes	269	769	-	-	-	1,038
Issuance of shares, net of issuance expenses in connection with the Placement finance round	804	2,496	-	-	-	3,300
Issuance of shares, net of issuance expenses in connection with the Share Purchase Plan offer	33	92	-	-	-	125
Issuance of shares in connection with Director's service rendered	35	69	-	-	-	104
Issuance of shares in connection with contingent consideration	26	41	-	-	-	67
Exercise of options	*	552	(552)	-	-	-
Expiration and forfeiture of share based payment	-	251	(251)	-	-	-
Share based compensation	-	-	332	-	-	332
<b>Balance as of 31 December 2024</b>	<b>3,888</b>	<b>35,901</b>	<b>4,370</b>	<b>(965)</b>	<b>(45,324)</b>	<b>(2,130)</b>

## WAY2VAT LTD.

## PRELIMINARY CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (DEFICIT) (CONT.)

(AUD in thousands)

	Share capital	Additional paid in capital	Shares based payment reserve	Adjustments arising from translation to reporting currency	Accumulated losses	Total
<b>Changes during 2025:</b>						
Loss for the year	-	-	-	-	(6,797)	(6,797)
Other comprehensive income	-	-	-	17	-	17
Total comprehensive loss for the year	-	-	-	17	(6,797)	(6,780)
Issuance of shares in connection with conversion of the Convertible Notes	2,077	1,637	-	-	-	3,714
Issuance of shares, net of issuance expenses in connection with the Placement finance rounds	3,646	1,819	-	-	-	5,465
Issuance of shares in connection with service rendered	20	173	-	-	-	193
Issuance of shares in connection with Director's service rendered	46	29	-	-	-	75
Issuance of shares in connection with contingent consideration	14	11	-	-	-	25
Exercise of options	4	337	(341)	-	-	*
Expiration and forfeiture of share based payment	-	347	(347)	-	-	-
Share based compensation	-	-	950	-	-	950
<b>Balance as of 31 December 2025</b>	<b>9,695</b>	<b>40,254</b>	<b>4,632</b>	<b>(948)</b>	<b>(52,121)</b>	<b>1,512</b>

\* Represent an amount lower than \$1 thousand.

WAY2VAT LTD.

PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOWS

(AUD in thousands)

	Year ended 31 December	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Loss for the year	(6,797)	(5,488)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	477	425
Capital loss	34	-
Fair value adjustments of Derivative liability Options, net of related expenses	96	(521)
Fair value adjustments of contingent consideration	(20)	(95)
Interest and fair value adjustment in connection with the convertible notes	1,164	-
Interest expenses and reassessment	(20)	22
Share based compensation in connection with service rendered	18	-
Financial expense (income), net	255	308
Share based compensation	950	332
<b>Changes in operations assets and liabilities:</b>		
Change in trade receivables	(1,845)	(875)
Change in other accounts receivables	21	(63)
Change in trade payables	(158)	356
Change in other accounts payables	76	310
Change in other liabilities	38	36
<b>Cash from operations</b>	<u>(5,711)</u>	<u>(5,253)</u>
Interest paid	<u>(222)</u>	<u>(203)</u>
<b>Net cash used in operating activities</b>	<u>(5,933)</u>	<u>(5,456)</u>

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WAY2VAT LTD.

PRELIMINARY CONSOLIDATED STATEMENT OF CASH FLOWS (CONT.)

(AUD in thousands)

	Year ended 31 December	
	2025	2024
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property, plant, and equipment	(16)	(25)
Acquisition of B&B and RBC, net of cash as of purchase date	(1,892)	-
<b>Net cash used in investing activities</b>	<b>(1,908)</b>	<b>(24)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Cash received in connection with Convertible Notes	2,550	1,038
Issuance of shares, net of issuance expenses in connection with the Placement finance round	5,683	3,949
Issuance of shares, net of issuance expenses in connection with the Share Purchase Plan offer	-	155
Bank loans, net	640	(190)
Principal paid on lease liabilities	(359)	(277)
Governmental loans	(127)	-
Royalties paid and received from the IIA, net	(27)	36
<b>Net cash provided by financing activities</b>	<b>8,360</b>	<b>4,711</b>
<b>Net decrease in cash and cash equivalents</b>	<b>519</b>	<b>(770)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>131</b>	<b>722</b>
<b>Effects of exchange rate changes on cash and cash equivalents</b>	<b>118</b>	<b>179</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>768</b>	<b>131</b>
<b>APPENDIX A – NON-CASH ACTIVITIES:</b>		
Conversion of convertible note	3,714	-
Recognition of right of use assets and lease liabilities	122	1,017
Share based compensation in connection with service rendered	193	-
Issuance of shares in connection with contingent consideration	25	67
Issuance of shares in connection with Director's service rendered	75	104
Grant of options in connection with service rendered	218	-

\* Represent an amount lower than \$1 thousand.

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WAY2VAT LTD.

PRELIMINARY CONSOLIDATED NOTES

(AUD in thousands)

**NOTE 1 – BASIS OF PREPARATION:**

The preliminary report of Way2Vat Ltd (the “Company”) has been prepared in accordance with ASX listing rule 4.3A and the disclosure requirements of ASX Appendix 4E.

This report has been prepared in accordance with International Financial Reporting Standards (IFRS) and the Corporations Act 2002. The consolidated financial statements have been prepared on an actuals basis and are based on historical cost convention.

**NOTE 2 - SUBSIDIARIES:**

The principal subsidiaries of the Company, all of which have been consolidated in these consolidated financial statements, are as follows:

Entity name	Country of incorporation	Proportion of ownership interest on 31 December		Held by
		2025	2024	
WAY2VAT UK Limited	UK	100%	100%	WAY2VAT Ltd.
DevoluIVA S.L.U	Spain	100%	100%	WAY2VAT Ltd.
WAY2VAT SRL	Romania	100%	100%	WAY2VAT Ltd.
WAY2VAT Inc.	USA	100%	100%	WAY2VAT Ltd.
Bevan & Bevan Limited	UK	100%	-	WAY2VAT Ltd.
RBCVAT Limited	UK	100%	-	WAY2VAT Ltd.

**WAY2VAT LTD.**  
**PRELIMINARY CONSOLIDATED NOTES (CONT.)**

(AUD in thousands)

**NOTE 3 - RESEARCH AND DEVELOPMENT EXPENSES:**

	<u>Year ended 31 December</u>	
	<u>2025</u>	<u>2024</u>
Salary and related expenses	1,515	1,498
Development costs	1,014	989
Subcontractors and consultants	122	76
Share based compensation	62	23
Government Grants received and changes in liability, net	(152)	(74)
Others	9	41
	<u>2,570</u>	<u>2,553</u>

**NOTE 4 - SELLING AND MARKETING EXPENSES:**

	<u>Year ended 31 December</u>	
	<u>2025</u>	<u>2024</u>
Salary and related expenses	1,799	2,032
Marketing fees	630	394
Share based compensation	89	35
Others	-	2
	<u>2,518</u>	<u>2,463</u>

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**WAY2VAT LTD.**  
**PRELIMINARY CONSOLIDATED NOTES (CONT.)**

(AUD in thousands)

**NOTE 5 - GENERAL AND ADMINISTRATIVE EXPENSES:**

	<u>Year ended 31 December</u>	
	<u>2025</u>	<u>2024</u>
Professional fees	1,198	1,281
Salary and related expenses	1,509	911
Depreciation and amortization	477	426
Share based compensation	793	274
Travel abroad	191	99
Others	881	1,313
	<u>5,049</u>	<u>4,304</u>

**NOTE 6 - OTHER ACCOUNTS PAYABLE:**

	<u>As of 31 December</u>	
	<u>2025</u>	<u>2024</u>
Balances due to customers	2,235	2,979
Accrued expenses	973	311
Employees, salaries, and related liabilities	190	177
Payroll Institutions	190	194
Provision for vacation	70	76
Income tax provision	350	-
Working capital liability owed to RBC sellers, see Note 7 for further information	252	-
Others	209	8
	<u>4,469</u>	<u>3,745</u>

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WAY2VAT LTD.

PRELIMINARY CONSOLIDATED NOTES (CONT.)

(AUD in thousands)

**NOTE 7 – INVESTMENT IN A SUBSIDIARY:**

On 30 September 2025 (the “Closing Date”), the Company acquired 100% of the shares of Bevan and Bevan Limited (“Bevan”), a non-operating company which, in turn, holds 100% of the shares of RBCVAT Limited (“RBC”).

The total consideration for the acquisition amounts to £2,000,000 and is structured as follows:

- First payment: £1,000,000 payable on the Closing Date, which was paid in full on that date.
- Second payment: £880,000 payable one year following the Closing Date, subject to one of the sellers who is engaged by RBC as the local manager, remaining employed with the Company through that date.
- Third payment: £120,000 payable two years following the Closing Date, subject to the same condition as the second payment.

In addition, the Company is required to pay the sellers £125,000, representing the positive working capital of RBC as of the Closing Date.

Due to the contingent nature of the second and third payments, which are conditional upon continued service by the local manager, these amounts are accounted for as operating expenses in the consolidated statement of comprehensive income when incurred and are not considered part of the purchase consideration.

The Company engaged an independent and reputable appraiser to allocate the purchase consideration attributable to the first payment and the working capital adjustment, totaling £1,125,000, as follows:

- Net tangible assets: £130,000
- Customer relationships: £233,000 (amortized over 8 years)
- Deferred tax liability – customer relationships: (£58,000)
- Non-compete agreement: £82,000 (amortized over 5 years)
- Deferred tax liability – non-compete agreement: (£20,000)
- Goodwill: £758,000

The Company recorded amortization expense for the period from 1 October 2025 through 31 December 2025 totaling £11,000 amortization which is included within general and administrative expenses.

As of 31 December 2025, the net carrying amount of the investment totaled £1,062,000 and is presented within intangible assets in the consolidated statement of financial position.

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