

1. Company details

Name of entity:	DXN Limited
ABN:	46 620 888 548
Reporting period:	For the half-year ended 31 December 2025
Previous period:	For the half-year ended 31 December 2024

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	65.5% to	2,675,711
Loss from ordinary activities after tax attributable to the owners of DXN Limited	up	145.1% to	(3,472,398)
Loss for the half-year attributable to the owners of DXN Limited	up	145.1% to	(3,472,398)

Comments

The loss for the Group after providing for income tax amounted to \$3,472,398 (31 December 2024: \$1,416,774).

Group revenues fell by 65.5%, driving a gross profit of \$491,130. However, gross profit declined by 78.6%. As a result, the Group recorded a loss after income tax of \$3,472,398 (31 December 2024: \$ 1,416,774).

Earnings before interest, taxation, depreciation and amortisation ('EBITDA') and Underlying EBITDA are financial measures which are not prescribed by Australian Accounting Standards ('AAS') and represents the profit or loss under AAS adjusted for non-cash and non-operating items. The directors consider EBITDA and Underlying EBITDA to reflect the core earnings of the Group.

The following table summarises key reconciling items between statutory profit or loss after tax attributable to the owners of DXN Limited and Underlying EBITDA.

	Consolidated 31 Dec 2025	31 Dec 2024
	\$	\$
Loss after tax	(3,472,398)	(1,416,774)
Add: finance costs	381,176	688,459
Add: depreciation and amortisation	413,226	504,167
EBITDA	(2,677,996)	(224,148)
<i>Less: non-operating / non-cash items</i>		
Equity-settled employee costs	357,222	221,392
Net foreign exchange loss	30,669	62,186
Change in fair value of warrants	44,527	151,667
Expansion costs	80,735	-
	<u>513,153</u>	<u>435,245</u>
Underlying EBITDA	(2,164,843)	211,097

EBITDA amounted to a loss of \$2,677,996 (31 December 2024: loss of \$224,148).

Underlying EBITDA was a loss of \$2,164,843 (31 December 2024: profit of \$211,097). The loss for the Group after providing for income tax amounted to \$3,472,398 (H1FY25: loss of \$1,416,774).

3. 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.

4. Net tangible assets

	31 December 2025 Cents	30 June 2025 Cents
Net tangible assets per ordinary security	(0.27)	0.67

Net tangible assets per ordinary security, has been calculated as follows:

	Consolidated 31 Dec 2025 \$	30 Jun 2025 \$
Net assets	2,050,420	4,920,340
Less: Intangibles	(2,883,110)	(2,915,799)
Net tangible assets	(832,690)	2,004,541

	Consolidated 31 Dec 2025 \$	30 Jun 2025 \$
Total shares issued	313,120,843	298,703,639

5. Control gained over entities

On 28 August 2025 DXN registered the subsidiary, DXN Solutions Pte. Ltd, in Singapore.

6. Loss of control over entities

Not applicable.

7. Details of associates and joint venture entities

Not applicable.

8. Audit qualification or review

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

The financial statements were subject to a review by the auditors and the review report, which includes a paragraph addressing a material uncertainty related to going concern, is attached as part of the Interim Report.

9. Attachments

Details of attachments (if any):

The Interim Report of DXN Limited for the half-year ended 31 December 2025 is attached.

10. Signed

Signed  _____

Date: 27 February 2026

Myo Myint Ohn
Non-Independent, Non-Executive Chair



DXN Limited

ABN 46 620 888 548

Interim Report - 31 December 2025

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Directors	Myo Myint Ohn (Non-Executive Director and Chairman) Brendan Power (Non-Executive Director) Shalini Lagrutta (CEO and Managing Director)	
Company secretaries	Lucy Rowe Maria Clemente	
Registered office and principal place of business	Level 12 50, Carrington Street Sydney NSW 2000	
Share register	Automic Pty Ltd Level 5 191 St Georges Terrace Perth WA 6000	
Auditor	Moore Australia Audit (WA) Level 15, Exchange Tower 2 The Esplanade Perth WA 6000	
Solicitors	Arnotts Technology Lawyers 6/16 O'Connell Street Sydney NSW 2000	Hamilton Locke Pty Ltd Level 37, 180 George Street Sydney NSW 2000
Bankers	Westpac 341 George Street Sydney NSW 2000	
Stock exchange listing	DXN Limited shares are listed on the Australian Securities Exchange (ASX code: DXN (DXNOD))	
Website	https://dxn.solutions/	

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of DXN Limited (referred to hereafter as the 'Company' or 'parent entity') and the entities it controlled at the end of, or during, the half-year ended 31 December 2025 (referred to hereafter as H1FY26).

Directors

The following persons were directors of DXN Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Dr Myo Myint Ohn
Brendan Power
Shalini Lagrutta

Principal activities

DXN is a vertically integrated manufacturer and operator of modular datacentres, operating across three core markets Modular, Data-Centre Operations and Data Centre as-a-Service.

DXN's data centre Modular division (referred to as PMDC (prefabricated modular data centres)) designs, engineers, constructs and commissions data centre (DC) solutions globally. The Group's DC infrastructure has a wide range of applications, which includes edge data centres¹ and telecommunications applications (satellite and cable landing stations (CLS)). The Group's prefabricated modular construction method reduces the on-site labour time and time to deploy and improves quality. DXN's DC manufacturing solutions are ideal for rapid deployment in both urban and remote locations. DXN's PMDC provides space, power, cooling, and physical security for clients to house their computer servers, related storage and networking equipment. The Modular division offers customers a relatively lower investment than a traditional bricks and mortar solution, enabling agile, rapid, and flexible deployment of high-quality data centre solutions built to global standards.

DXN's Data Centre Operations division, owns and operates Data Centres for customers in Darwin and Hobart, with 75 and 35 racks respectively.

The Company established a third division at the end of FY25, the Data Centre as a Service (DCaaS) division is a capital light, facility as a service model including design, engineering and deployment of data centres and ground stations.

Dividends

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

Review of operations

Revenue decreased by 65.5% to \$2.7 million in H1FY26, reflecting a significant reduction attributable to customer-driven project delays. Approximately 50% of total revenue was recognised based on the stage of completion of projects within the Modular Division, with a substantial portion arising from progress achieved in the manufacturing of orders for GlobalStar and AP Telecom.

The Group received \$1.3 million in revenue during the half-year for operating Data Centres in Darwin and Hobart. \$0.08 million of revenue came from the DCaaS division for the establishment of DXN's first DCaaS site in Darwin.

The Group continues to recognise that South-East Asia represents a significant growth opportunity and invested time during the half-year structuring the Group to capitalise on this opportunity. DXN believes that the requirement in Southeast Asia for prefabricated modular options is elevated, as the region is experiencing explosive digital growth and requires flexible, scalable, rapid and cost-effective infrastructure deployment. The directors believe that Indonesia and Malaysia will represent key hubs for growth and therefore is preparing to capitalise on future opportunities.

DXN's Hobart operation, re-signed a Master Supply Agreement (MSA) with TasmaNet Pty Ltd.

¹ Edge data centres are smaller, decentralised data centres that are located closer to the end users or devices they serve. These facilities are designed to process data locally, reducing latency and improving performance for applications that require real-time data processing. Ideal for prefabricated modular data centres (PMDC) such as the ones DXN manufacture.

Earnings before interest, taxation, depreciation and amortisation ('EBITDA') and Underlying EBITDA are financial measures which are not prescribed by Australian Accounting Standards ('AAS') and represents the profit or loss under AAS adjusted for non-cash and non-operating items. The directors consider EBITDA and Underlying EBITDA to reflect the core earnings of the Group.

The following table summarises key reconciling items between statutory profit or loss after tax attributable to the owners of DXN Limited and Underlying EBITDA.

	H1FY26 \$	H1FY25 \$	Change \$	Change %
Loss after tax	(3,472,398)	(1,416,774)	(2,055,624)	145%
Add: finance costs	381,176	688,459	(307,283)	(45%)
Add: depreciation and amortisation	413,226	504,167	(90,941)	(18%)
EBITDA	<u>(2,677,996)</u>	<u>(224,148)</u>	<u>(2,453,848)</u>	1095%
<i>Less: non-operating / non-cash items</i>				
Equity-settled employee costs	357,222	221,392	135,830	61%
Net foreign exchange loss/(gain)	30,669	62,186	(31,517)	(51%)
Change in fair value of warrants	44,527	151,667	(107,140)	(71%)
Asia expansion costs	80,735	-	80,735	-
	<u>513,153</u>	<u>435,245</u>	<u>77,908</u>	18%
Underlying EBITDA	<u>(2,164,843)</u>	<u>211,097</u>	<u>(2,375,940)</u>	(1126%)

Underlying EBITDA was a loss of \$2,164,843 (31 December 2024: profit of \$211,097). The loss for the Group after providing for income tax amounted to \$3,472,398 (H1FY25: loss of \$1,416,774).

Significant changes in the state of affairs

On 28 August 2025 DXN registered the subsidiary, DXN Solutions Pte. Ltd, in Singapore.

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

Matters subsequent to the end of the financial half-year

Following 31 December 2025, DXN signed a strategic non-binding MOU with Super Sistem Indonesia (SSI) and established a Singapore-based JV with equal ownership between DXN and SSI. The partnership was established to allow both parties to capitalise on growing Indonesian digital infrastructure market, without ceding to meaningful government-imposed import tariffs. The MOU enables localisation of operations, compliance with regulations while leveraging domestic advantages to deliver high-quality solutions tailored to the Indonesian market. Any future purchase orders placed by SSI will be made through the JV entity, in a factory operated in Jakarta. Initially the focus will be on securing modular orders for SSI out of a soon to be established Jakarta manufacturing facility overtime DXN believes the Indonesian pipeline can grow by securing work for a list of additional customers who require a cost-effective manufacturing solution in Indonesia.

In January 2026, DXN established wholly owned subsidiary in Malaysia. This strategic expansion in addition to the holding company in Singapore enables DXN to contract directly within south-east Asian customer deployment contracts and better support both our existing and future customers across the region.

The new entities strengthen our regional presence, enhance commercial flexibility, and position DXN to pursue and execute south-east Asia based opportunities more efficiently.

No other matter or circumstance has arisen since 31 December 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.

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 306(3)(a) of the Corporations Act 2001.

Signed in accordance with a resolution of the Board of Directors.



Shalini Lagrutta
Managing Director

27 February 2026



Myo Myint Ohn
Non-Executive Chair

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF DXN LIMITED**

I declare that, to the best of my knowledge and belief, during the year ended 31 December 2025, there have been:

- a) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review, and
- b) no contraventions of any applicable code of professional conduct in relation to the review.



SHAUN WILLIAMS
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 26th day of February 2026.

		Consolidated	
	Note	31 Dec 2025	31 Dec 2024
		\$	\$
Revenue			
Sales to customers	4	2,675,711	7,758,285
Cost of goods sold		<u>(2,184,581)</u>	<u>(5,466,770)</u>
Gross profit		491,130	2,291,515
Other income	5	431,344	241,130
Expenses			
Administration expenses		(311,317)	(220,578)
Compliance and legal expenses		(246,143)	(224,658)
Consultants and contractors		(28,495)	(157,189)
Depreciation and amortisation expenses	6	(413,226)	(504,167)
Employee benefits expenses		(2,549,602)	(1,825,096)
Reversal of impairment of inventories		-	2,430
Impairment of receivables		-	(91,284)
Loss on disposal of assets		(4,351)	(186)
Marketing expenses		(41,991)	(11,401)
Occupancy expenses		(206,468)	(40,960)
Telecommunication and technology expenses		(114,482)	(81,901)
Travel expenses		(97,621)	(105,970)
Finance costs	6	<u>(381,176)</u>	<u>(688,459)</u>
Loss before income tax expense		(3,472,398)	(1,416,774)
Income tax expense		-	-
Loss after income tax expense for the half-year attributable to the owners of DXN Limited		(3,472,398)	(1,416,774)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Foreign currency translation		656	-
Other comprehensive income for the half-year, net of tax		656	-
Total comprehensive loss for the half-year attributable to the owners of DXN Limited		<u>(3,471,742)</u>	<u>(1,416,774)</u>
		31 Dec 2025	31 Dec 2024
	Note	Cents	Cents
Earnings per share for loss attributable to the owners of DXN Limited			
Basic earnings per share	7	(1.14)	(0.67)
Diluted earnings per share	7	(1.14)	(0.67)

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

	Note	Consolidated	
		31 Dec 2025	30 Jun 2025
		\$	\$
Assets			
Current assets			
Cash and cash equivalents	8	1,727,954	3,119,895
Trade and other receivables	9	1,243,003	3,434,592
Inventories/work in progress	10	550,194	558,999
Bank guarantees and deposits		709,300	797,639
Other assets	11	263,275	168,462
Total current assets		<u>4,493,726</u>	<u>8,079,587</u>
Non-current assets			
Property, plant and equipment	12	4,463,816	3,761,548
Right-of-use assets	13	984,813	1,155,236
Intangibles	14	2,883,110	2,915,799
Bank guarantees and deposits		33,917	33,917
Other assets	11	105,235	205,849
Total non-current assets		<u>8,470,891</u>	<u>8,072,349</u>
Total assets		<u>12,964,617</u>	<u>16,151,936</u>
Liabilities			
Current liabilities			
Trade and other payables	15	2,189,880	3,218,780
Contract liabilities		1,971,234	969,457
Borrowings	16	5,181,027	90,839
Lease liabilities	17	400,595	229,841
Employee benefits		270,104	234,092
Other financial liabilities		-	293,333
Total current liabilities		<u>10,012,840</u>	<u>5,036,342</u>
Non-current liabilities			
Borrowings	16	24,207	5,043,869
Lease liabilities	17	756,576	1,086,197
Employee benefits		120,574	65,188
Total non-current liabilities		<u>901,357</u>	<u>6,195,254</u>
Total liabilities		<u>10,914,197</u>	<u>11,231,596</u>
Net assets		<u>2,050,420</u>	<u>4,920,340</u>
Equity			
Issued capital	18	54,923,915	54,538,374
Reserves	19	797,926	580,989
Accumulated losses		(53,671,421)	(50,199,023)
Total equity		<u>2,050,420</u>	<u>4,920,340</u>

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

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity / (deficiency in equity) \$
Balance at 1 July 2024	47,395,502	405,789	(48,213,564)	(412,273)
Loss after income tax expense for the half-year	-	-	(1,416,774)	(1,416,774)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive loss for the half-year	-	-	(1,416,774)	(1,416,774)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of shares	6,604,000	-	-	6,604,000
Capital raising costs	(759,546)	-	-	(759,546)
Issue of shares - share-based payments	88,500	-	-	88,500
Transfer from accumulated losses	-	(328,792)	328,792	-
Options issued	-	293,665	-	293,665
Options exercised	-	(44,000)	-	(44,000)
Balance at 31 December 2024	53,328,456	326,662	(49,301,546)	4,353,572

Consolidated	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity / (deficiency in equity) \$
Balance at 1 July 2025	54,538,374	580,989	(50,199,023)	4,920,340
Loss after income tax expense for the half-year	-	-	(3,472,398)	(3,472,398)
Other comprehensive income for the half-year, net of tax	-	656	-	656
Total comprehensive income/(loss) for the half-year	-	656	(3,472,398)	(3,471,742)
<i>Transactions with owners in their capacity as owners:</i>				
Issue of shares	337,860	-	-	337,860
Capital raising costs	(3,262)	-	-	(3,262)
Issue of shares - share-based payments	50,943	147,005	-	197,948
Options issued	-	120,218	-	120,218
Options exercised	-	(50,942)	-	(50,942)
Balance at 31 December 2025	54,923,915	797,926	(53,671,421)	2,050,420

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Cash flows from operating activities		
Receipts from customers	6,179,009	5,677,632
Payments to suppliers and employees	(6,775,573)	(7,503,356)
R&D cost paid to supplier	(25,109)	(43,560)
Government grants	2,081	3,617
Interest received	25,507	20,690
Interest paid	(250,795)	(229,194)
Bank guarantee for projects	90,000	-
Withholding tax for Timor Project	-	(100,765)
	<u> </u>	<u> </u>
Net cash used in operating activities	(754,880)	(2,174,936)
Cash flows from investing activities		
Payments for plant and equipment	(584,305)	(40,111)
Repayment of Darwin Warrant	-	(175,134)
	<u> </u>	<u> </u>
Net cash used in investing activities	(584,305)	(215,245)
Cash flows from financing activities		
Proceeds from issue of shares and options	-	6,127,771
Proceeds from exercise of options and warrant shares	337,860	-
Payment of capital raising costs	-	(34,650)
Repayment of lease liabilities	(339,077)	(607,942)
Repayment of finance facility	-	(1,000,000)
Transaction costs related to loans and borrowings	(31,302)	-
	<u> </u>	<u> </u>
Net cash (used in)/from financing activities	(32,519)	4,485,179
Net (decrease)/increase in cash and cash equivalents	(1,371,704)	2,094,998
Cash and cash equivalents at the beginning of the financial half-year	3,119,894	2,983,785
Effects of exchange rate changes on cash and cash equivalents	(20,236)	16,897
	<u> </u>	<u> </u>
Cash and cash equivalents at the end of the financial half-year	<u>1,727,954</u>	<u>5,095,680</u>

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

Note 1. General information

The financial statements cover DXN Limited and the entities it controlled (together referred to as the 'Group') at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is DXN Limited's functional and presentation currency.

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

Since 7 November 2025
Level 12
50 Carrington Street
Sydney NSW 2000

Till 6 November 2025
Level 8
341 George Street
Sydney NSW 2000

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 February 2026.

Note 2. Material accounting policy information

These general purpose financial statements for the interim half-year reporting period ended 31 December 2025 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements are condensed financial statements that do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

Foreign currency translation

Foreign currency transactions

Foreign currency transactions are translated into Australian dollars 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.

New or amended Accounting Standards and Interpretations adopted

The Group 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. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the Group during the financial half-year ended 31 December 2025 and are not expected to have a significant impact for the full financial year ending 30 June 2026.

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

Note 2. Material accounting policy information (continued)

Going concern

These financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business. For the period ended 31 December 2025, the Group recorded a loss of \$3,472,398 (31 December 2024: \$1,416,774) and net operating cash outflows of \$754,880 (31 December 2024: \$2,174,936). As of 31 December 2025, the Group had net current liabilities of \$5,519,114 (30 June 2025: net current asset of \$3,043,245).

The Group's ability to meet its obligations as and when they fall due is dependent upon the generation of ongoing revenue from its DCaaS and Data Centre operations, the successful completion of projects, the timely achievement of contractual billing milestones, and the effective conversion of work in progress into trade receivables and operating cash flows.

Key factors supporting this assessment include:

Strong contracted revenue base - As at 31 December 2025, the Group held \$14.5m in backlog orders, providing strong revenue visibility into FY26:

- Data Centres: \$1.4m
- Modules: \$10.1m
- DCaaS: \$3.0m

Growing project pipeline - The Group has a developing pipeline of DC module, DCaaS and data centre projects expected to generate additional revenues over the next 12-24 months.

Liquidity and balance sheet - Cash at bank of \$1.7m at 31 December 2025, and current ratio of 0.45 (30 June 2025: 1.54). The reduction in the current ratio during the period was primarily attributable to delays in project progression, which increased unearned work in progress and deferred the achievement of billing milestones. This timing impact affected the recognition of revenue, the generation of trade receivables and the conversion of receivables into operating cash inflows. The movement was further impacted by the reclassification of the \$5.0 million loan facility from non-current to current liabilities.

Stable recurring revenue - Established data centre and DCaaS operations continue to provide a dependable earnings base.

Asset realisation potential - DC assets are realisable at values exceeding book value, providing an additional source of liquidity if required.

Funding flexibility - The Group retains the capacity to raise capital to support growth initiatives and meet future debt obligations. In addition, management intends to refinance the existing iPartners loan facility to extend its maturity profile and optimise the Group's capital structure. This refinancing is expected to enhance funding flexibility, strengthen liquidity metrics, and provide greater balance sheet stability to support ongoing operations and strategic objectives.

The financial statements have been prepared on the basis that the Group can meet its commitments as and when they fall due and can therefore continue normal business activities, and the realisation of assets and liabilities in the ordinary course of business.

Note 3. Operating segments

Identification of reportable operating segments

The Group is organised into three operating segments: Data centre manufacturing, Data centre operations and Data Centre as a Service. These operating segments are based on the internal reports that are reviewed and used by the Chief Executive Officer ('CEO') and the Group's Executive Leadership Team (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The information reported to the CODM on a monthly basis is the segment profit that represents the profit earned by each segment without allocation of the share of central administration costs including directors' salaries, finance income, non-operating gains and losses in respect of financial instruments and finance costs, and income tax expense.

Major customers

The Group has a number of customers to which it provides services and products.

Note 3. Operating segments (continued)

Data centre manufacturing

The Group supplied a number of customers, of which during the half-year ended 31 December 2025 one accounted for 31.1% of revenue (31 December 2024: main customer was 52.9%). The next most significant contributed 26.3% (31 December 2024: 23.9%).

Data centre operations

The Group supplies a number of customers, of which during the half-year ended 31 December 2025 one accounted for 34.2% of revenue (31 December 2024: main customer was 34.2%).

Data Centre as a Service

This offering has one customer accounting for 100% of the revenue.

There were no intersegment sales during the reporting periods.

Operating segment information

Consolidated - 31 Dec 2025	Data centre manufacturing \$	Data centre operations \$	DCaaS \$	Other (Corporate) \$	Total \$
Revenue					
Revenue from external customers	1,314,770	1,283,734	77,207	-	2,675,711
Other income	10,688	70,130	-	350,526	431,344
Total revenue	<u>1,325,458</u>	<u>1,353,864</u>	<u>77,207</u>	<u>350,526</u>	<u>3,107,055</u>
Results					
Profit/(loss) before income tax	(1,074,926)	66,939	36,269	(2,500,680)	(3,472,398)
Income tax	-	-	-	-	-
Profit/(loss) after income tax	<u>(1,074,926)</u>	<u>66,939</u>	<u>36,269</u>	<u>(2,500,680)</u>	<u>(3,472,398)</u>
Assets					
Segment assets	3,188,235	7,514,584	706,865	1,554,933	12,964,617
Total assets					<u>12,964,617</u>
Liabilities					
Segment liabilities	3,911,067	6,007,137	38,407	957,586	10,914,197
Total liabilities					<u>10,914,197</u>

Note 3. Operating segments (continued)

	Data centre manufacturing \$	Data centre operations \$	DCaas \$	Other (Corporate) \$	Total \$
Consolidated - 31 Dec 2024					
Revenue					
Revenue from external customers	6,495,238	1,263,047	-	-	7,758,285
Other income	145,782	23,974	-	50,000	219,756
Total revenue	6,641,020	1,287,021	-	50,000	7,978,041
Results					
Profit/(loss) before income tax	580,949	134,955	-	(2,132,678)	(1,416,774)
Income tax	-	-	-	-	-
Profit/(loss) after income tax	580,949	134,955	-	(2,132,678)	(1,416,774)
Consolidated - 30 Jun 2025					
Assets					
Segment assets	5,298,914	7,526,833	280,594	3,045,595	16,151,936
Total assets					16,151,936
Liabilities					
Segment liabilities	4,336,488	5,719,759	6,702	1,168,647	11,231,596
Total liabilities					11,231,596

Assets used jointly by reportable segments are allocated on the basis of the revenues earned by the individual reportable segments.

All revenue is derived in Australia.

Note 4. Revenue

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
<i>Revenue from contracts with customers</i>		
Sales to customers	2,675,711	7,758,285

100% of the Group's revenue from external customers is recognised over time.

All revenue is derived in Australia.

Note 5. Other income

	Consolidated	
	31 Dec 2025	31 Dec 2024
	\$	\$
Research and development tax incentive (write-off) / claim	(7,313)	141,415
Warrant amortisation	337,860	50,000
Sublease income	69,047	23,974
Government wage subsidies	4,581	4,367
Interest income	27,169	21,374
Other income	431,344	241,130

Note 6. Expenses

	Consolidated 31 Dec 2025	31 Dec 2024
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Depreciation - property, plant and equipment	210,088	242,548
Depreciation - right-of-use assets	134,097	193,553
Total depreciation	<u>344,185</u>	<u>436,101</u>
<i>Amortisation</i>		
Amortisation - intangibles	69,041	68,066
Total depreciation and amortisation	<u>413,226</u>	<u>504,167</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on borrowings	348,455	562,543
Interest and finance charges paid/payable on lease liabilities	32,721	125,916
	<u>381,176</u>	<u>688,459</u>
<i>Net foreign exchange loss/(gain) (included in administration expenses)</i>		
Net foreign exchange loss/(gain)	30,821	(62,186)
<i>Superannuation expense</i>		
Defined benefit superannuation expense	132,517	104,594

Note 7. Earnings per share

	Consolidated 31 Dec 2025	31 Dec 2024
	\$	\$
Loss after income tax attributable to the owners of DXN Limited	<u>(3,472,398)</u>	<u>(1,416,774)</u>
	Cents	Cents
Basic earnings per share	(1.14)	(0.67)
Diluted earnings per share	(1.14)	(0.67)
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>304,506,632</u>	<u>211,925,891</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>304,506,632</u>	<u>211,925,891</u>

At 31 December 2025 and 31 December 2024, options, warrants and performance rights over ordinary shares were excluded from the calculation of the weighted average number of ordinary shares used in calculating diluted earnings per share due to being anti-dilutive, as the Group reported a loss for the period.

Note 8. Cash and cash equivalents

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current assets</i>		
Cash at bank and on hand	<u>1,727,954</u>	<u>3,119,895</u>

Note 9. Trade and other receivables

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current assets</i>		
Trade receivables	1,371,891	3,563,480
Less: Allowance for expected credit losses	<u>(128,888)</u>	<u>(128,888)</u>
	<u>1,243,003</u>	<u>3,434,592</u>

Allowance for expected credit losses

The Group has recognised a loss of \$nil in the profit or loss in respect of the expected credit losses for the period ended 31 December 2025 compared to \$88,403 to 30 June 2025.

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

Consolidated	Expected credit loss rate		Carrying amount		Allowance for expected credit losses	
	31 Dec 2025	30 Jun 2025	31 Dec 2025	30 Jun 2025	31 Dec 2025	30 Jun 2025
	%	%	\$	\$	\$	\$
0 to 30 days	-	-	1,106,227	3,307,551	-	-
30 to 60 days	-	-	131,419	126,500	-	-
60 to 90 days	-	-	5,357	541	-	-
over 90 days	100.000%	100.000%	<u>128,888</u>	<u>128,888</u>	<u>128,888</u>	<u>128,888</u>
			<u>1,371,891</u>	<u>3,563,480</u>	<u>128,888</u>	<u>128,888</u>

Note 10. Inventories/work in progress

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current assets</i>		
Materials and consumables	152,932	109,073
Work in progress - Customers (contract asset) ¹	<u>397,262</u>	<u>449,926</u>
	<u>550,194</u>	<u>558,999</u>

¹ Relates to external customers.

Note 11. Other assets

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current assets</i>		
Prepayments	227,718	147,732
Other deposits	35,557	13,556
Other current assets	-	7,174
	<u>263,275</u>	<u>168,462</u>
<i>Non-current assets</i>		
Other non-current assets (Borrowing costs capitalised net of amortisation)	105,235	205,849
	<u>368,510</u>	<u>374,311</u>

Note 12. Property, plant and equipment

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Non-current assets</i>		
Darwin property - at cost	2,239,967	2,239,967
Leasehold improvements - at cost	786,620	765,434
Less: Accumulated depreciation	(324,365)	(284,389)
	<u>462,255</u>	<u>481,045</u>
Plant and equipment - at cost	475,915	458,417
Less: Accumulated depreciation	(448,440)	(449,619)
	<u>27,475</u>	<u>8,798</u>
Motor vehicles - at cost	26,016	26,016
Less: Accumulated depreciation	(26,016)	(26,016)
	<u>-</u>	<u>-</u>
Office equipment - at cost	28,798	28,798
Less: Accumulated depreciation	(28,798)	(28,798)
	<u>-</u>	<u>-</u>
DC modules - at cost	2,423,547	2,091,571
Less: Accumulated depreciation	(1,371,012)	(1,236,399)
	<u>1,052,535</u>	<u>855,172</u>
ICT hardware - at cost	144,761	131,349
Less: Accumulated depreciation	(59,067)	(54,845)
	<u>85,694</u>	<u>76,504</u>
Construction WIP	595,890	100,062
	<u>4,463,816</u>	<u>3,761,548</u>

Note 13. Right-of-use assets

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Non-current assets</i>		
Land and buildings - right-of-use	1,495,341	1,839,999
Less: Accumulated depreciation	<u>(510,528)</u>	<u>(684,763)</u>
	<u>984,813</u>	<u>1,155,236</u>

Right-of-use assets related to leased property in Perth and Hobart.

Note 14. Intangibles

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Non-current assets</i>		
Goodwill - at cost	1,986,421	1,986,421
Research & development - at cost	<u>103,208</u>	<u>78,556</u>
Software - at cost	56,287	44,587
Less: Accumulated amortisation	<u>(45,562)</u>	<u>(44,587)</u>
	<u>10,725</u>	<u>-</u>
Customer contracts - at cost	2,703,418	2,703,418
Less: Accumulated amortisation	<u>(1,920,662)</u>	<u>(1,852,596)</u>
	<u>782,756</u>	<u>850,822</u>
	<u>2,883,110</u>	<u>2,915,799</u>

Note 15. Trade and other payables

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current liabilities</i>		
Trade payables ¹	890,375	1,506,634
GST payable	194,787	7,394
Payroll liabilities	107,340	79,164
Other payables and accruals ²	<u>997,378</u>	<u>1,625,588</u>
	<u>2,189,880</u>	<u>3,218,780</u>

Terms and conditions relating to the above financial instruments.

¹ Trade payables are non-interest bearing and generally on 30 day terms.

² Other payables are non-interest bearing have no fixed repayment terms.

Note 16. Borrowings

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current liabilities</i>		
Insurance premium funding	146,858	56,350
FlexiCommercial Pty Ltd ¹	42,888	42,888
Less: Unexpired charges	(8,719)	(8,399)
iPartners Pty Ltd ²	5,000,000	-
	<u>5,181,027</u>	<u>90,839</u>
<i>Non-current liabilities</i>		
FlexiCommercial Pty Ltd ¹	25,018	46,462
Less: Unexpired charges	(811)	(2,593)
iPartners Pty Ltd ²	-	5,000,000
	<u>24,207</u>	<u>5,043,869</u>
	<u>5,205,234</u>	<u>5,134,708</u>

¹ This is a Chattel Mortgage Facility with FlexiCommercial Pty Ltd for a Pressbrake Machine in use in the Perth factory. The interest rate on this facility is 9.996% and is repayable over 5 years (until July 2027) with no balloon payment.

² \$5,000,000 secured facility with iPartners which was used to acquire the property at 27 Harvey Street, Darwin, NT. and to repay the Darwin vendor warranty and Pure loan. The facility carries an interest rate of 9.95% per annum and matures in November 2026. It is secured by a General Security Agreement (GSA) over the Darwin Property and the Darwin DC (SDC).

Note 17. Lease liabilities

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
<i>Current liabilities</i>		
Lease liability	400,595	229,841
<i>Non-current liabilities</i>		
Lease liability	756,576	1,086,197
	<u>1,157,171</u>	<u>1,316,038</u>

Note 18. Issued capital

	Consolidated			
	31 Dec 2025	30 Jun 2025	31 Dec 2025	30 Jun 2025
	Shares	Shares	\$	\$
Ordinary shares - fully paid	313,120,843	298,703,639	54,923,915	54,538,374
	<u>313,120,843</u>	<u>298,703,639</u>	<u>54,923,915</u>	<u>54,538,374</u>

Note 18. Issued capital (continued)

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2025	298,703,639		54,538,374
Issue of shares	13 October 2025	13,333,333	\$0.0253	337,860
Capital raising costs	31 October 2025	-		(3,262)
Issue of shares - share-based payments	31 December 2025	1,083,871	\$0.0470	50,943
Balance	31 December 2025	<u>313,120,843</u>		<u>54,923,915</u>

Note 19. Reserves

	Consolidated	
	31 Dec 2025	30 Jun 2025
	\$	\$
Foreign currency reserve	656	-
Share-based payments reserve	397,661	250,656
Options reserve	399,609	330,333
	<u>797,926</u>	<u>580,989</u>

Movements in reserves

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

Consolidated	Foreign currency reserve \$	Share-based payments \$	Options \$	Total \$
Balance at 1 July 2025	-	250,656	330,333	580,989
Foreign currency translation	656	-	-	656
Share-based payments	-	147,005	-	147,005
Options issued	-	-	120,218	120,218
Options exercised	-	-	(50,942)	(50,942)
Balance at 31 December 2025	<u>656</u>	<u>397,661</u>	<u>399,609</u>	<u>797,926</u>

Note 20. Dividends

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

Note 21. Contingent liabilities

There were no contingent liabilities as at 31 December 2025 and 30 June 2025.

Note 22. Commitments

There were no capital commitments as at 31 December 2025 and 30 June 2025.

Note 23. Related party transactions

Subsidiaries

Interests in subsidiaries are set out in note 24.

Note 23. Related party transactions (continued)

Transactions with related parties

There were no transactions with related parties during the current and previous financial half-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 24. 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	
		31 Dec 2025 %	30 Jun 2025 %
Tas01 Pty Ltd	Tasmania, Australia	100.00%	100.00%
Secure Data Centre Pty Ltd	Northern Territory, Australia	100.00%	100.00%
SDC Trust	Northern Territory, Australia	100.00%	100.00%
DXN SDC Darwin Pty Ltd	New South Wales, Australia	100.00%	100.00%
DXN DCaaS Pty Ltd	New South Wales, Australia	100.00%	100.00%
DXN Solutions Pte. Ltd*	Singapore	100.00%	-

* Incorporated in Singapore on 28 August 2025.

Note 25. Events after the reporting period

Following 31 December 2025, DXN signed a strategic non-binding MOU with Super Sistem Indonesia (SSI) and established a Singapore-based JV with equal ownership between DXN and SSI. The partnership was established to allow both parties to capitalise on growing Indonesian digital infrastructure market, without ceding to meaningful government-imposed import tariffs. The MOU enables localisation of operations, compliance with regulations while leveraging domestic advantages to deliver high-quality solutions tailored to the Indonesian market. Any future purchase orders placed by SSI will be made through the JV entity, in a factory operated in Jakarta. Initially the focus will be on securing modular orders for SSI out of a soon to be established Jakarta manufacturing facility overtime DXN believes the Indonesian pipeline can grow by securing work for a list of additional customers who require a cost-effective manufacturing solution in Indonesia.

In January 2026, DXN established wholly owned subsidiary in Malaysia. This strategic expansion in addition to the holding company in Singapore enables DXN to contract directly within south-east Asian customer deployment contracts and better support both our existing and future customers across the region.

The new entities strengthen our regional presence, enhance commercial flexibility, and position DXN to pursue and execute south-east Asia based opportunities more efficiently.

No other matter or circumstance has arisen since 31 December 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.

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001.

On behalf of the directors



Shalini Lagrutta
Managing Director



Myo Myint Ohn
Non-Executive Chair

27 February 2026

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF DXN LIMITED****Report on the Half-Year Financial Report****Conclusion**

We have reviewed the accompanying half-year financial report of DXN Limited (the Company) and its controlled entities (the Consolidated Entity or Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity, the consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of material accounting policies and other explanatory information and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the company is not in accordance with the *Corporations Act 2001*, including:

- i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with Auditing Standards on Review Engagements *ASRE 2410: Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the Auditor's Responsibilities for the Review of the Financial Report section of our report. We are independent of the Company in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report 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 review report.

Emphasis of Matter – Material Uncertainty Related to Going Concern

Without modification to our conclusion expressed above, we draw attention to Note 2 "Going Concern" of the financial statements which states that the financial statements have been prepared on a going concern basis. Should the consolidated entity be unable to achieve the funding and operational outcomes described in Note 2 and continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the normal course of business and at amounts other than as stated in the financial report.

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF DXN LIMITED (CONTINUED)****Responsibility of the Directors for the Half-Year Financial Report**

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the Financial Report

Our responsibility is to express a conclusion on the financial report based on our review. ASRE 2410 requires us to conclude whether anything has come to our attention that causes us to believe that the financial report is not in accordance with the *Corporations Act 2001* including:

- i. giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and its performance for the half-year ended on that date; and
- ii. complying with Accounting Standard AASB 134: *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



SHAUN WILLIAMS
PARTNER



MOORE AUSTRALIA AUDIT (WA)
CHARTERED ACCOUNTANTS

Signed at Perth this 27th day of February 2026.