

1. Company details

Name of entity:	SOCO Corporation Ltd
ABN:	61 660 362 201
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	12.0%	to	9,706,654
Loss from ordinary activities after tax	down	NM*	to	(5,934,308)
Loss for the half-year	down	NM*	to	(5,934,308)

* NM – Not Meaningful

Dividends

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

Comments

Review of operations

Revenue for the half-year ended 31 December 2025 was \$9,706,654, representing a decrease of 12.0% from \$11,034,947 in the previous corresponding period. The result reflects continued underlying growth in the Group's core consulting and managed services activities, with revenue from these operations increasing 8.2% to \$6,561,439 (31 December 2024: \$6,064,000). This growth was offset by lower revenue within the AxSym business, primarily due to the deferral of several Federal Government project commencements into the second half of the financial year.

Gross margin for the half-year was impacted by a strategically accepted engagement that included a material pass-through revenue component as well as lower utilisation for the AxSym business due to delayed project commencements. Excluding this engagement, underlying services margins were 28.1%.

Underlying EBITDA (prior to significant items) for the half-year was a loss of \$642,184, compared to underlying EBITDA of \$648,301 in the previous corresponding period.

The Group recorded a net loss after income tax of \$5,934,308 (31 December 2024: loss of \$150,885). This result includes a non-cash goodwill impairment of \$4,610,284 relating to the AxSym acquisition, recognised following a review of updated forecast cash flows for the AxSym cash-generating unit. The impairment represents a balance sheet reset and does not impact the Group's cash position, liquidity, or ability to deliver contracted work.

During the period, the Group undertook a targeted restructuring to align its cost base with activity levels, while continuing to invest selectively in sales capability. Contracted sales for the half-year represented the strongest first-half result achieved by the Group. In addition, a number of engagements progressed from project delivery into managed services arrangements, contributing to growth in recurring revenue and improved revenue visibility.

The statutory net loss after tax for the half-year was \$5,934,308 (31 December 2024: loss of \$150,885). Net profit after tax and before the tax-effected amortisation of acquired intangibles (NPATA) was a loss of \$1,081,419, representing a decrease of \$1,172,487 compared to the previous corresponding period.

At 31 December 2025, the Group held cash of \$814,065 (30 June 2025: \$1,513,471). In addition, the amortising debt facility established in December 2023 had unused available funds of \$661,667 at balance date, providing additional liquidity and financial flexibility.

The Directors consider Underlying Earnings Before Interest and Tax ('EBIT') to reflect the core earnings of the Group. Underlying EBIT is a financial measure which is not prescribed by Australian Accounting Standards ('AAS') and represents the profit under AAS adjusted for non-cash and significant items. The Group's reconciliation of its statutory net profit after tax ('NPAT') for the current and previous year to Operating EBIT is as follows:

	31 Dec 2025	31 Dec 2024	Change
	\$	\$	%
Revenue	<u>9,706,654</u>	<u>11,034,947</u>	<u>(12.0)</u>
Underlying EBITDA ⁽²⁾	(642,184)	648,301	NM
Depreciation	(185,751)	(166,307)	(11.7)
Amortisation of acquired intangibles	<u>(323,474)</u>	<u>(322,604)</u>	<u>(0.3)</u>
Underlying EBIT ⁽¹⁾	(1,151,409)	159,390	NM
Net interest	<u>(36,473)</u>	<u>(59,626)</u>	<u>38.8</u>
Net profit/(loss) before income tax and significant items	(1,187,882)	99,764	NM
<i>Significant items:</i>			
Impairment of goodwill	(4,610,284)	-	(100.0)
Public company cost ⁽⁴⁾	(259,623)	(269,659)	3.7
Restructure	(144,489)	-	(100.0)
Share-based remuneration	<u>(45,829)</u>	<u>(20,226)</u>	<u>NM</u>
Net loss before income tax expense	(6,248,107)	(190,121)	NM
Income tax benefit	<u>313,799</u>	<u>39,236</u>	<u>NM</u>
Net loss after income tax expense	<u>(5,934,308)</u>	<u>(150,885)</u>	<u>NM</u>
NPATA ⁽³⁾	<u>(1,081,419)</u>	<u>91,068</u>	<u>NM</u>

(1) Underlying EBIT is a non-IFRS metric and is calculated as net loss before interest, impairment, fair value of contingent consideration, acquisition costs, public company costs, restructure, non-cash employee share plan expense, and taxes. These measures, which are unaudited, are important to management as an additional way to evaluate the Group's performance.

(2) Underlying EBITDA is Underlying EBIT before depreciation and amortisation.

(3) NPATA is net profit/(loss) after tax and before impairment & the tax-effected amortisation of acquired intangibles.

(4) Public company cost is included in general and administrative expenses in the statement of profit or loss and other comprehensive income.

(5) NM – Not Meaningful

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>(0.54)</u>	<u>0.01</u>

Calculated as follows:

	31 Dec 2025 \$	31 Dec 2024 \$
Net assets	2,570,824	8,213,636
Less: Right-of-use assets	(586,642)	(839,709)
Less: Intangibles	(3,050,568)	(8,279,740)
Less: Deferred tax asset	(1,293,827)	-
Add: Lease liabilities	657,142	890,195
Add: Deferred tax liability	957,173	23,530
Net tangible assets/(liabilities)	<u>(745,897)</u>	<u>7,912</u>
	31 Dec 2025	31 Dec 2024
	Number of	Number of
	shares	shares
Total shares issued at period end	<u>139,355,091</u>	<u>138,939,658</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

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

Previous period

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

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

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

Not applicable.

10. Audit qualification or review

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

The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

11. Attachments

Details of attachments (if any):

The Interim Report of SOCO Corporation Ltd for the half-year ended 31 December 2025 is attached.

12. Signed



Signed _____

Date: 27 February 2026

Kylie Sheather
Chief Financial Officer and Company Secretary
Brisbane

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SOCO Corporation Ltd

ABN 61 660 362 201

Interim Report - 31 December 2025

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The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'Group') consisting of SOCO Corporation Ltd (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.

Directors

The following persons were Directors of SOCO Corporation Ltd during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Thomas Stianos - Chair
Khatiza Brown
Sebastian Rizzo
Thomas Rock
Don Pasquariello (appointed 2 February 2026)
Kirsty Garrett (appointed 2 February 2026)

Principal activities

During the financial half-year the principal activities of the Group was as an IT consultancy business, specialising in the delivery of cloud solutions, business applications and integration projects with a focus on Microsoft solutions.

Dividends

No dividends were declared or paid during the half-year.

Review of operations

Revenue for the half-year ended 31 December 2025 was \$9,706,654, representing a decrease of 12.0% from \$11,034,947 in the previous corresponding period. The result reflects continued underlying growth in the Group's core consulting and managed services activities, with revenue from these operations increasing 8.2% to \$6,561,439 (31 December 2024: \$6,064,000). This growth was offset by lower revenue within the AxSym business, primarily due to the deferral of several Federal Government project commencements into the second half of the financial year.

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NPATA ⁽³⁾	<u>(1,081,419)</u>	<u>91,068</u>	<u>NM</u>

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(4) Public company cost is included in general and administrative expenses in the statement of profit or loss and other comprehensive income.

(5) NM – Not Meaningful

Business risks

The Company is subject to risks that are specific to the Group and risks that are of a general nature. All these risks may threaten both the current and future operating and financial performance of the Group. A number of these risks are beyond the control and influence of the Directors and management of the Company, but the Group has mitigation strategies in place to manage the impact of these risks should they occur. The material risks and how they are managed are presented below.

Competition

The Group believes it has a competitive business model however there is a risk that existing competitors or new entrants may emerge in the market. These competitors may disrupt the market with increased marketing activities, and more competitive pricing. The ability to attract new clients will in part depend on SOCO's reputation along with its ability to communicate the value and security that it offers. As a people business, SOCO seeks to maintain competitive advantage by creating an exceptional employment experience for the SOCO team.

Ability to attract and retain key personnel

The Group's ability to attract and retain personnel will have a direct correlation upon its ability to deliver its project commitments and achieve forecast revenues. Additionally, increases in recruitment and salary costs may adversely impact upon the financial performance of the Group. The Group seeks to attract and retain key talent through maintaining a rewarding and flexible workplace.

Law and regulatory compliance

The Group is required to maintain compliance with all applicable laws and regulations. These include requirements related to various Australian employment laws and policies, such as the Fair Work Act 2009 (Cth). Failure to comply with such laws and regulations could result in regulatory action or other claims which could have an adverse impact on SOCO's reputation, financial performance and profitability. SOCO has management processes and quality assurance processes in place to manage compliance with applicable laws and regulations.

Reliance on Microsoft platform

SOCO is focussed on the Microsoft platform. If this ecosystem is compromised, Microsoft's reputation is negatively impacted, or if the Federal Government were to change or distance its investment with Microsoft's technology platform, this could negatively affect SOCO's financial results. SOCO would seek to mitigate this through assessing other platforms that may evolve as a result and leverage its reputation with existing clients.

General economic conditions

SOCO's operating and financial performance is influenced by a variety of general economic and business conditions including the level of inflation, interest rates and government fiscal, monetary and regulatory policies. Prolonged deterioration in general economic conditions could have an adverse impact on the Group's operating and financial performance.

Climate related

SOCO considers the strategic and financial impacts of climate change. Whilst not considered an immediate material risk for SOCO with its current operations, it may impact corporate strategies, investor decisions, governance and future prospects as the regulatory and reporting environment as well as investor expectations evolve.

Significant changes in the state of affairs

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

Events occurring after the reporting period

Subsequent to 31 December 2025, the Company approved the issue of 5,942,028 performance rights under the Company's Omnibus Equity Incentive Plan. The performance rights were issued for nil consideration to selected senior executives and key management personnel as part of the FY26 long-term incentive framework.

The rights are subject to performance and service conditions and will vest in accordance with the terms approved by the Board.

The issue of these performance rights does not impact the financial results for the half year ended 31 December 2025.

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.

On behalf of the Directors



Thomas Stianos
Chair

27 February 2026
Brisbane

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AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of SOCO Corporation Ltd

As lead auditor for the review of the financial report of SOCO Corporation Ltd for the half year ended 31 December 2025, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

RSM

RSM AUSTRALIA PARTNERS



STEVE STAVROU
Partner

Brisbane, QLD
Dated: 27 February 2026

SOCO Corporation Ltd
Consolidated statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2025



	Note	31 Dec 2025	31 Dec 2024
		\$	\$
Revenue			
Revenue from contracts with customers		9,706,654	11,034,947
Cost of providing services		<u>(7,755,295)</u>	<u>(8,220,193)</u>
Gross margin		<u>1,951,359</u>	<u>2,814,754</u>
Other income			
Interest revenue calculated using the effective interest method		1,474	6,621
Expenses			
Depreciation and amortisation expense	6	(509,225)	(488,911)
Loss on disposal of assets		(7,855)	(1,673)
Selling and marketing expense		(266,462)	(266,401)
Occupancy expense		(70,209)	(79,958)
General and administrative expense		(2,698,958)	(2,108,306)
Impairment of goodwill		(4,610,284)	-
Finance costs	6	<u>(37,947)</u>	<u>(66,247)</u>
Loss before income tax benefit		(6,248,107)	(190,121)
Income tax benefit		<u>313,799</u>	<u>39,236</u>
Loss after income tax benefit for the half-year		(5,934,308)	(150,885)
Other comprehensive income for the half-year, net of tax		-	-
Total comprehensive income for the half-year		<u>(5,934,308)</u>	<u>(150,885)</u>
		Cents	Cents
Basic earnings per share	11	(4.26)	(0.11)
Diluted earnings per share	11	(4.26)	(0.11)

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

SOCO Corporation Ltd
Consolidated statement of financial position
As at 31 December 2025



	Note	31 Dec 2025 \$	30 Jun 2025 \$
Assets			
Current assets			
Cash and cash equivalents		814,065	1,513,471
Trade and other receivables		1,621,393	2,516,124
Contract assets		769,632	79,173
Income tax refund due		171,975	141,974
Other assets		344,935	383,504
Total current assets		<u>3,722,000</u>	<u>4,634,246</u>
Non-current assets			
Property, plant and equipment		265,977	273,011
Right-of-use assets		586,642	713,175
Intangible assets	7	3,050,568	7,984,326
Deferred tax		1,293,827	815,969
Total non-current assets		<u>5,197,014</u>	<u>9,786,481</u>
Total assets		<u>8,919,014</u>	<u>14,420,727</u>
Liabilities			
Current liabilities			
Trade and other payables		2,693,037	2,122,342
Contract liabilities		344,727	553,713
Borrowings		661,667	-
Lease liabilities		261,194	246,783
Employee benefits		830,714	884,087
Total current liabilities		<u>4,791,339</u>	<u>3,806,925</u>
Non-current liabilities			
Borrowings		-	416,667
Lease liabilities		395,948	531,903
Deferred tax		957,173	793,113
Employee benefits		203,730	412,816
Total non-current liabilities		<u>1,556,851</u>	<u>2,154,499</u>
Total liabilities		<u>6,348,190</u>	<u>5,961,424</u>
Net assets		<u>2,570,824</u>	<u>8,459,303</u>
Equity			
Issued capital	8	8,291,411	8,291,411
Reserves		263,392	217,563
Accumulated losses		(5,983,979)	(49,671)
Total equity		<u>2,570,824</u>	<u>8,459,303</u>

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

SOCO Corporation Ltd
Consolidated statement of changes in equity
For the half-year ended 31 December 2025



	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2024	8,068,678	394,392	(117,946)	8,345,124
Loss after income tax benefit for the half-year	-	-	(150,885)	(150,885)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(150,885)	(150,885)
<i>Transactions with owners in their capacity as owners:</i>				
Share-based payments (note 12)	-	20,226	-	20,226
Exercise of options (note 8)	177,383	(177,383)	-	-
Share issue transaction costs, net of tax	(829)	-	-	(829)
Balance at 31 December 2024	<u>8,245,232</u>	<u>237,235</u>	<u>(268,831)</u>	<u>8,213,636</u>
	Issued capital \$	Reserves \$	Accumulated losses \$	Total equity \$
Balance at 1 July 2025	8,291,411	217,563	(49,671)	8,459,303
Loss after income tax benefit for the half-year	-	-	(5,934,308)	(5,934,308)
Other comprehensive income for the half-year, net of tax	-	-	-	-
Total comprehensive income for the half-year	-	-	(5,934,308)	(5,934,308)
<i>Transactions with owners in their capacity as owners:</i>				
Contributions of equity, net of transaction costs	-	-	-	-
Share-based payments (note 12)	-	45,829	-	45,829
Share issue transaction costs, net of tax	-	-	-	-
Balance at 31 December 2025	<u>8,291,411</u>	<u>263,392</u>	<u>(5,983,979)</u>	<u>2,570,824</u>

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

SOCO Corporation Ltd
Consolidated statement of cash flows
For the half-year ended 31 December 2025



	Note	31 Dec 2025 \$	31 Dec 2024 \$
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		11,223,423	12,573,388
Payments to suppliers and employees (inclusive of GST)		(11,919,774)	(12,373,549)
Interest received		1,474	6,621
Interest and other finance costs paid		(16,096)	(38,816)
Income taxes paid		(30,000)	(193,182)
		<u>(740,973)</u>	<u>(25,538)</u>
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		7,450	-
Payments for property, plant and equipment		(67,488)	(122,379)
Payments for intangibles	7	-	(34,550)
Payments for security deposits		-	(90,288)
Proceeds from release of security deposits		-	79,002
		<u>(60,038)</u>	<u>(168,215)</u>
Cash flows from financing activities			
Share issue transaction costs		-	(830)
Proceeds from borrowings		245,000	-
Repayment of borrowings		-	(416,667)
Repayment of lease liabilities		(143,395)	(108,222)
		<u>101,605</u>	<u>(525,719)</u>
Net decrease in cash and cash equivalents		(699,406)	(719,472)
Cash and cash equivalents at the beginning of the financial half-year		1,513,471	2,310,401
Cash and cash equivalents at the end of the financial half-year		<u><u>814,065</u></u>	<u><u>1,590,929</u></u>

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

Note 1. General information

The consolidated financial statements cover SOCO Corporation Ltd as a Group consisting of SOCO Corporation Ltd and the entities it controlled at the end of, or during, the half-year. The financial statements are presented in Australian dollars, which is SOCO Corporation Ltd's functional and presentation currency.

SOCO Corporation Ltd is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Level 4
120 Edward Street
Brisbane QLD 4000

Principal place of business

Level 4
120 Edward Street
Brisbane QLD 4000

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. Going Concern

The financial statements have been prepared on the going concern basis, which contemplates continuity of normal business activities and the realisation of assets and discharge of liabilities in the normal course of business.

As disclosed in the financial statements, the consolidated entity incurred a loss of \$5,934,308 and had net cash outflows from operating activities of \$740,973 for the half-year ended 31 December 2025. As at that date the consolidated entity had net current liabilities of \$1,069,338 and net assets of \$2,570,824.

The Directors believe that it is reasonably foreseeable that the consolidated group will continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report after consideration of the following:

- A strong and active sales pipeline over the next 6 months, including projects approved subsequent to 31 December 2025 in the range of \$3.53M to \$4.13M, with agreed commencement dates and allocated resources;
- The realisation of positive impacts of the cost reduction initiatives and operational efficiency measures implemented over the past 6 months; and
- Forecast cash flow modelling demonstrating the Group's ability to meet obligations as they fall due over the assessment period.

Note 3. 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 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, unless otherwise stated.

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 any significant impact for the full financial year ending 30 June 2026.

Note 3. Material accounting policy information (continued)

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

Note 4. Operating segments

Identification of reportable operating segments

The Group is organised into one operating segment as the Group operated mainly in Australia and in one industry being the supply of IT consulting services. This assessment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. Accordingly, the information provided reflects the one operating segment.

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

	31 Dec 2025	31 Dec 2024
	\$	\$
Loss after income tax expense for the year	(5,934,308)	(150,885)
Income tax benefit	(313,799)	(39,236)
Net interest	<u>36,473</u>	<u>59,626</u>
EBIT	(6,211,634)	(130,495)
Depreciation and amortisation expense	<u>509,225</u>	<u>488,911</u>
EBITDA	<u><u>(5,702,409)</u></u>	<u><u>358,416</u></u>

Major customers

During the period ended 31 December 2025, approximately \$1,313,000 (2024: nil) was derived from a single customer.

Note 5. Revenue from contracts with customers

	31 Dec 2025	31 Dec 2024
	\$	\$
Provision of IT consulting services	9,617,228	10,918,604
Sale of software licences	<u>89,426</u>	<u>116,343</u>
	<u><u>9,706,654</u></u>	<u><u>11,034,947</u></u>

Disaggregation of revenue

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

	31 Dec 2025	31 Dec 2024
	\$	\$
<i>Geographical regions</i>		
Australia	<u><u>9,706,654</u></u>	<u><u>11,034,947</u></u>
<i>Timing of revenue recognition</i>		
Services transferred over time	9,617,228	10,918,604
Licences transferred at a point in time	<u>89,426</u>	<u>116,343</u>
	<u><u>9,706,654</u></u>	<u><u>11,034,947</u></u>

Note 6. Expenses

	31 Dec 2025	31 Dec 2024
	\$	\$
Loss before income tax includes the following specific expenses:		
<i>Depreciation</i>		
Furniture, fixtures and fittings	919	-
Office equipment	58,299	39,773
Buildings right-of-use assets	126,533	126,534
Total depreciation	<u>185,751</u>	<u>166,307</u>
<i>Amortisation</i>		
Customer relationships	260,856	260,856
Software	20,870	
Brand name	-	20,000
Non-Compete	41,748	41,748
Total amortisation	<u>323,474</u>	<u>322,604</u>
Total depreciation and amortisation	<u>509,225</u>	<u>488,911</u>
<i>Finance costs</i>		
Interest and finance charges paid/payable on other liabilities	16,096	10,208
Interest and finance charges paid/payable on lease liabilities	21,851	28,608
Unwind of present value interest	-	27,431
Finance costs expensed	<u>37,947</u>	<u>66,247</u>
<i>Leases</i>		
Short-term lease payments	<u>51,905</u>	<u>66,035</u>

Note 6. Expenses (continued)

	31 Dec 2025 \$	31 Dec 2024 \$
<i>Defined contribution superannuation expense</i>		
Included in cost of providing services	585,115	652,034
Included in general and administration expense	155,063	121,561
	<u>740,178</u>	<u>773,595</u>
<i>Share-based payments expense</i>		
Share-based payments expense	<u>45,829</u>	<u>20,226</u>
<i>Employee benefit expense (including superannuation)</i>		
Included in cost of providing services	5,301,088	6,223,634
Included in general and administration expense	1,625,596	1,282,302
	<u>6,926,684</u>	<u>7,505,936</u>

Note 7. Intangibles

	31 Dec 2025 \$	30 Jun 2025 \$
<i>Non-current assets</i>		
Goodwill - at cost	4,610,284	4,610,284
Less: Impairment	(4,610,284)	-
	<u>-</u>	<u>4,610,284</u>
Trademarks - at cost	<u>6,982</u>	<u>6,982</u>
Customer relationships - at cost	4,000,000	4,000,000
Less: Accumulated amortisation	(1,130,376)	(869,520)
	<u>2,869,624</u>	<u>3,130,480</u>
Software - at cost	52,175	52,175
Less: Accumulated amortisation	(31,305)	(10,435)
	<u>20,870</u>	<u>41,740</u>
Brand name - at cost	60,000	60,000
Less: Accumulated amortisation	(60,000)	(60,000)
	<u>-</u>	<u>-</u>
Non-Compete - at cost	334,000	334,000
Less: Accumulated amortisation	(180,908)	(139,160)
	<u>153,092</u>	<u>194,840</u>
	<u><u>3,050,568</u></u>	<u><u>7,984,326</u></u>

Note 7. Intangibles (continued)

Reconciliations

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

	<i>Goodwill</i>	<i>Trademarks</i>	<i>Customer relationships</i>	<i>Software</i>	<i>Brand name</i>	<i>Non-Compete</i>	<i>Total</i>
	\$	\$	\$	\$	\$	\$	\$
Balance at 1 July 2025	4,610,284	6,982	3,130,480	41,740	-	194,840	7,984,326
Additions	-	-	-	-	-	-	-
Impairment	(4,610,284)	-	-	-	-	-	(4,610,284)
Amortisation expense	-	-	(260,856)	(20,870)	-	(41,748)	(323,474)
Balance at 31 December 2025	-	6,982	2,869,624	20,870	-	153,092	3,050,568

Goodwill impairment testing

For the purpose of impairment testing, goodwill has been allocated to a single cash generating unit ('CGU') Axsym Technology Pty Ltd.

The recoverable amount of the CGU has been determined based on value-in-use calculations which use cash flow projections from the financial budgets for the FY2026 financial year as reviewed by the Board.

The cash flows beyond the budget period have been extrapolated over a further 5 years. The value-in-use calculations have been prepared using a compound revenue growth rate of 10% and terminal growth rate of 3%. The pre-tax discount rate applied to cash flow projections was 18.21% which is derived from the Group's weighted average cost of capital, adjusted for varying risk profiles, where appropriate.

The key assumptions used in the value-in-use calculation are based on past experience and the forecast operating and financial performance for the CGU taking into account the current market and economic conditions, risks, uncertainties and opportunities for improvements.

The carrying amount was determined to be higher than its recoverable amount. As a result, a non-cash impairment expense of \$4,610,284 was recognised during the period ended 31 December 2025. Following the impairment charge, the recoverable amount of goodwill was reduced to nil.

Note 8. Issued capital

	31 Dec 2025 Shares	30 Jun 2025 Shares	31 Dec 2025 \$	30 Jun 2025 \$
Ordinary shares - fully paid	<u>139,355,091</u>	<u>139,355,091</u>	<u>8,291,411</u>	<u>8,291,411</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2025	139,355,091		8,291,411
Issue of shares		-	-	-
Share issue transaction costs, net of tax		-		-
Balance	31 December 2025	<u>139,355,091</u>		<u>8,291,411</u>

Note 9. Dividends

No dividends were paid or declared during the financial half-year (December 2024: \$nil).

Note 10. Earnings per share

	31 Dec 2025 \$	31 Dec 2024 \$
Loss after income tax	<u>(5,934,308)</u>	<u>(150,885)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>139,355,091</u>	<u>138,772,498</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>142,380,088</u>	<u>138,772,498</u>
	Cents	Cents
Basic earnings per share	(4.26)	(0.11)
Diluted earnings per share	(4.26)	(0.11)

Options and performance rights have been excluded from the above calculation of weighted average number of ordinary shares at 31 December 2025 and 31 December 2024 as their inclusion would be anti-dilutive.

Note 11. Share-based payments

Details of the option and performance rights plans can be found in note 37 'Share-based payments' in the 30 June 2025 Annual Report.

Set out below are summaries of options granted under the plan:

31 Dec 2025

<i>Grant date</i>	<i>Expiry date</i>	<i>Exercise price</i>	<i>Balance at the start of the half-year</i>	<i>Granted</i>	<i>Exercised</i>	<i>Expired/ forfeited/ other</i>	<i>Balance at the end of the half-year</i>
18/11/2022	18/11/2027	\$0.0000	1,200,000	-	-	-	1,200,000
23/12/2022	20/12/2026	\$0.0000	3,125,000	-	-	-	3,125,000
			4,325,000	-	-	-	4,325,000

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

31 Dec 2025

<i>Grant date</i>	<i>Expiry date</i>	<i>Exercise price</i>	<i>Balance at the start of the half-year</i>	<i>Granted</i>	<i>Exercised</i>	<i>Expired/ forfeited/ other</i>	<i>Balance at the end of the half-year</i>
03/11/2024	21/09/2027	\$0.0000	3,024,997	-	-	-	3,024,997
			3,024,997	-	-	-	3,024,997

Note 12. Events occurring after the reporting period

Subsequent to 31 December 2025, the Company approved the issue of 5,942,028 performance rights under the Company's Omnibus Equity Incentive Plan. The performance rights were issued for nil consideration to selected senior executives and key management personnel as part of the FY26 long-term incentive framework.

The rights are subject to performance and service conditions and will vest in accordance with the terms approved by the Board.

The issue of these performance rights does not impact the financial results for the half year ended 31 December 2025.

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



Thomas Stianos
Chair

27 February 2026
Brisbane

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of SOCO Corporation Ltd

Conclusion

We have reviewed the accompanying half-year financial report of SOCO Corporation Ltd ("the Company") and its controlled entities (together "the Group") which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and 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 SOCO Corporation Ltd is not in accordance with the *Corporations Act 2001* including:

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

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* ("ASRE 2410"). 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 auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the 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 SOCO Corporation Ltd, would be in the same terms if given to the directors as at the time of this auditor's review report.

Directors' Responsibility for the Half-Year Financial Report

The directors of the SOCO Corporation Ltd are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 half-year financial report based on our review. We conducted our review in accordance with ASRE 2410, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2025 and its performance for the half-year ended on that date; and 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 other 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.

RSM

RSM AUSTRALIA PARTNERS

A handwritten signature in blue ink, appearing to read 'Steve Stavrou'.

STEVE STAVROU
Partner

Brisbane, QLD
Dated: 27 February 2026