



1. Group details

Name of entity: Codeifai Limited
ACN: 108 649 421
Reporting period: For the year ended 31 December 2025
Previous period: For the year ended 31 December 2024

2. Results for announcement to the market

					2025	2024
	\$	%			\$	\$
Revenues from ordinary activities	Down 211,800	26%	to		598,497	810,297
Loss from ordinary activities after tax for the year attributable to the owners of Codeifai Limited	Up 3,705,371	147%	to		(6,220,138)	(2,514,767)
Loss for the year attributable to the owners of Codeifai Limited	Up 3,705,371	147%	to		(6,220,138)	(2,514,767)

Comments

Revenue from product sales slightly down when compared with the revenue in the PcP (\$598,477 in 2025 against \$607,468 excluding an Income reversal of \$200,469). Cash receipts increased to \$836,996 against \$464,551 in the PcP the improvement based on better receivables.

The loss for the Group, after providing for income tax for the year ended 31 December 2025 amounted to \$6,220,138 (2024: \$2,514,767). Revenue for the year was \$598,497 (2024: \$810,297) which represents a 26% decrease from the prior year.

Adjusted EBITDA for the year after adding back share-based payment expense amounted to a loss of \$3,002,228 (2024: \$1,864,972).

The Company believes our future prospects are greatly enhanced by the acquisition of the Antennae Transfer (to be re-branded QuantumAI Secure) self-service SaaS platform from Canadian listed Credissential Inc., which was closed after the year end in February 2026.

The Company also strategically pivoted to self-service SaaS in the QR code generation and management spaces with the ongoing development of ConnectQR. Considerable focus in 2025 was attributed to product development, fees for the acquisition noted above and the costs of raising capital in an historically challenging time.

3. Net tangible assets/(liabilities)

	2025 Cents	2024 Cents
Net tangible assets/(liabilities) per ordinary security	(0.00438)	(0.081)

4. Gain and loss of control over entities

There was no gain or loss of control of entities during the year.

5. Dividends

Current year

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

Previous year

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

6. Dividend reinvestment plans

There are no dividend reinvestment plans for the year ended 31 December 2025 (2024: Nil).

7. Details of associates and joint venture entities

No changes.

8. Foreign entities

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

There has been no change in foreign-owned subsidiaries to those reported for the prior year. All group entities comply with International Financial Reporting Standards ('IFRS').

9. Audit qualification or review

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

The consolidated financial statements for the year ended 31 December 2025 are in the process of being audited and an unmodified opinion with a paragraph addressing material uncertainty related to going concern is expected to be issued.

10. Attachments

Details of attachment (if any):

Not applicable.

Signed



John Houston

Date: 27 February 2026



Codeifai Limited

ACN: 108 649 421

Full Year Preliminary Report 31 December 2025

Codeifai Limited
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For the year-ended 31 December 2025

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Codeifai Ltd
Consolidated statement of profit or loss and other comprehensive income
For the year ended 31 December 2025

	Note	2025 \$	2024 \$
Revenue	3	598,497	810,297
Expenses			
Consulting		(422,098)	(250,509)
Depreciation and amortisation expense		(6,923)	(8,039)
Directors' fees		(200,000)	(71,889)
Employee benefits expense		(862,381)	(748,639)
Finance costs	4	(297,815)	(156,937)
Impairment of goodwill and other intangible assets	10	(335,793)	(685,696)
Marketing costs		(108,833)	(327,183)
Investor relations		(116,900)	(44,390)
Production costs		(64,524)	(79,900)
Professional fees		(275,477)	(285,711)
Rental and short-term lease expenses		(89,401)	(116,707)
Research and development costs		(448,959)	(798,552)
Regulatory expenses		(148,491)	(86,288)
Share-based payments	5	(2,882,117)	(649,795)
Loss on extinguishment of financial liabilities via equity settlement		(50,000)	-
Travelling expenses		(29,977)	(26,836)
Other expenses		(438,202)	(327,296)
Foreign exchange (loss)/gain		(40,744)	1,339,303
Loss before income tax	5	(6,220,138)	(2,514,767)
Income tax (expense)/benefit		-	-
Loss after income tax from continuing operations for the year attributable to the owners of Codeifai Limited		(6,220,138)	(2,514,767)
Other comprehensive income			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Exchange differences on translation of foreign operations		(74,867)	(734,295)
Other comprehensive income for the full-year, net of tax		(74,867)	(734,295)
Total comprehensive loss for the year attributable to the owners of Codeifai Limited		(6,295,005)	(3,249,062)
Basic and diluted earnings per share	17	Cents (1.3)	Cents (0.14)

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

Codeifai Ltd
Consolidated statement of financial position
As at 31 December 2025

	Note	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents	6	995,752	385,901
Trade and other receivables	7	413,447	632,195
Other assets	8	87,053	106,803
Inventories	9	140,914	137,503
		1,637,166	1,262,402
Non-current assets			
Plant and equipment		8,597	12,886
Intangibles	10	4,313,990	5,005,796
		4,322,587	5,018,682
Total assets		5,959,753	6,281,084
Liabilities			
Current liabilities			
Trade and other payables	11	3,579,637	3,268,400
Financial liabilities	12	1,110,786	747,190
		4,690,423	4,015,590
Total liabilities		4,690,423	4,015,590
Net assets		1,269,330	2,265,464
Equity			
Issued capital	13	92,875,477	88,660,044
Reserves	14	2,997,038	1,989,397
Accumulated losses		(94,604,085)	(88,383,947)
Total equity		1,269,330	2,265,494

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

Codeifai Ltd
Consolidated statement of changes in equity
For the year ended 31 December 2025

Consolidated	Issued capital	Foreign currency translation reserve	Issued options reserve	Performance rights reserve	Accumulated losses	Total equity
	\$	\$	\$	\$	\$	\$
Balance at 1 January 2025	88,660,044	982,868	857,262	149,267	(88,383,947)	2,265,494
Loss after income tax benefit for the year	-	-	-	-	(6,220,138)	(6,220,138)
Other comprehensive income for the year, net of tax	-	(74,867)	-	-	-	(74,867)
Total comprehensive loss for the year	-	(74,867)	-	-	(6,220,138)	(6,295,005)
<i>Transactions with owners in their capacity as owners:</i>						
Shares issued, net of transaction costs Note 13	4,155,433	-	-	-	-	4,155,433
Conversion of performance rights	60,000	-	-	(60,000)	-	-
Options granted during the year Note 14	-	-	1,143,408	-	-	1,143,408
Balance at 31 December 2025	92,875,477	908,001	2,000,670	89,267	(97,604,085)	1,269,330

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

Codeifai Ltd
Consolidated statement of changes in equity
For the year ended 31 December 2025

Consolidated	Issued capital \$	Foreign currency translation reserve \$	Issued options reserve \$	Performance rights reserve \$	Accumulated losses \$	Total equity \$
Balance at 1 January 2024	85,426,969	1,717,162	567,467	149,267	(86,079,180)	1,781,685
Loss after income tax benefit for the year	-	-	-	-	(2,514,767)	(2,514,767)
Other comprehensive income for the year, net of tax	-	(734,294)	-	-	-	(734,294)
Total comprehensive loss for the year	-	(734,294)	-	-	(2,514,767)	(3,249,061)
<i>Transactions with owners in their capacity as owners:</i>						
Shares issued, net of transaction costs	3,233,075	-	-	-	-	3,233,075
Options granted during the year	-	-	499,795	-	-	499,795
Options lapsed during the year	-	-	(210,000)	-	210,000	-
Balance at 31 December 2024	88,660,044	982,868	857,262	149,267	(88,383,947)	2,265,494

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

Codeifai Ltd
Consolidated statement of cash flows
For the year ended 31 December 2025

	Note	2025 \$	2024 \$
Cash flows from operating activities			
Receipts from customers		836,996	464,551
Payments to suppliers and employees		(3,305,068)	(2,428,384)
Interest received		13,853	2,360
Finance costs		(263,945)	(139,431)
Net cash used in operating activities	16	(2,718,164)	(2,100,904)
Cash flows from investing activities			
Payments for plant and equipment		-	(4,396)
Payment for intangible assets		-	-
Proceeds from disposal of plant and equipment		1,706	495
Net cash used in investing activities		1,706	(3,901)
Cash flows from financing activities			
Proceeds from issue of shares (net of costs)		2,473,063	703,075
Proceeds from borrowings		785,000	875,000
Net cash from financing activities		3,258,063	1,578,075
Net (decrease)/increase in cash and cash equivalents			
		541,605	(526,730)
Cash and cash equivalents at the beginning of the financial year		385,901	567,572
Effect of movements in exchange rates on cash held		68,246	345,059
Cash and cash equivalents at the end of the financial year	6	995,752	385,901

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

Codeifai Limited
Notes to the consolidated financial statements
For the year ended 31 December 2025

Note 1. Basis of Preparation

This preliminary report has been prepared in order to comply with ASX listing rules.

This report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investment activities of the Group as the full financial report.

The financial report has been prepared on an accrual basis and is based on historical cost, except for financial instruments measured at fair value through profit or loss. All amounts are presented in Australian dollars and are rounded to the nearest dollar unless otherwise stated.

1(a) Going concern

The preliminary financial report has 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.

As disclosed in the preliminary financial report, the Group is in a net current liability position of \$3,053,256 (31 December 2024: \$2,753,188) and has net operating cash outflows of \$2,718,164 (31 December 2024: \$2,100,904). The Group generated a loss after tax for the year of \$6,220,138 (31 December 2024: \$2,514,767). The Group's cash position increased to \$995,752 as at 31 December 2025 (31 December 2024: \$385,901).

Notwithstanding the historical losses to date the directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- The Group has the ability to make further reductions in expense if necessary.
- The Group has signed a loan facility agreement to provide up to \$2 million (subject to shareholder approval) to assist working capital;
- The Group is able to raise additional funding if required. The Group has demonstrated its ability to successfully raise capital in current and prior periods, and there is no evidence to suggest that the Group would not be able to raise necessary capital required to continue to fund its operations and obligations

Should the Group be unsuccessful with the initiatives detailed above then, there is a material uncertainty that may cast significant doubt as to whether the Group may in the future be able to continue as a going concern and may therefore be required to realise assets and extinguish liabilities other than in the ordinary course of business with the amount realised being different from those shown in the financial statements.

Codeifai Limited
Notes to the consolidated financial statements
For the year ended 31 December 2025

Note 2. Operating segments

The Group is organised into operating segments as outlined below.

Management determines operating segments 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.

The CODM reviews 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 consolidated financial statements.

Geographical information

	2025				
	Reportable segments				
	Australia	People's Republic of China	Thailand	United States of America	Total
<i>In \$</i>					
External revenue	99,183	485,194	-	-	584,377
Interest income	13,768	-	85	-	13,853
Other income	-	267	-	-	267
Total revenue	<u>112,951</u>	<u>485,461</u>	<u>85</u>	<u>-</u>	<u>598,497</u>

	2024				
	Reportable segments				
	Australia	People's Republic of China	Thailand	United States of America	Total
<i>In \$</i>					
External revenue	143,098	464,370	-	-	607,468
Interest income	2,300	-	60	-	2,360
Other income	469	-	-	200,000	200,469
Total revenue	<u>145,867</u>	<u>464,370</u>	<u>60</u>	<u>200,000</u>	<u>810,297</u>

(a) Assets

	2025				
	Reportable segments				
	Australia	People's Republic of China	Thailand	United States of America	Total
<i>In \$</i>					
Current assets	1,077,039	338,144	138,417	83,566	1,637,166
Non-current assets	461	7,872	264	4,313,990	4,322,587
Total assets	<u>1,077,500</u>	<u>346,016</u>	<u>138,681</u>	<u>4,397,556</u>	<u>5,959,753</u>

Codeifai Limited
Notes to the consolidated financial statements
For the year ended 31 December 2025

Note 2. Operating segments (continued)

2024	Reportable segments				
	Australia	People's Republic of China	Thailand	United States of America	Total
<i>In \$</i>					
Current assets	557,788	385,836	235,111	83,667	1,262,402
Non-current assets	2,045	9,388	1,453	5,005,796	5,018,682
Total assets	<u>559,833</u>	<u>395,224</u>	<u>236,564</u>	<u>5,089,463</u>	<u>6,281,084</u>

Note 3. Revenue

	Consolidated	
	2025	2024
	\$	\$
<i>Revenue</i>		
Sale of goods and services	584,377	607,468
<i>Other revenue</i>		
Interest	13,853	2,360
Other income	267	200,469
	<u>598,497</u>	<u>810,297</u>

Note 4. Finance cost

		Consolidated	
	Note	2025	2024
		\$	\$
Interest and finance charges paid/payable for financial liabilities	5	297,815	156,937
		<u>297,815</u>	<u>156,937</u>

Note 5. Loss for the year

The loss for the year includes the following expenses:

		Consolidated	
	Note	2025	2024
		\$	\$
Finance costs	4	297,815	156,937
Research and development costs		448,959	798,552
Depreciation and amortisation		6,923	8,039
Impairment of intangible assets		335,793	685,696
Rental expense on operating leases – minimum lease payments		89,401	116,707
		<u>1,178,891</u>	<u>1,765,931</u>
Share based payment expense			
- Share based payments, consulting fees		1,369,797	150,000
- Share based payment expense, borrowing costs		1,512,320	499,795
		<u>2,882,117</u>	<u>649,795</u>

Codeifai Limited
Notes to the consolidated financial statements
For the year ended 31 December 2025

Note 6. Cash and cash equivalents

	Consolidated	
	2025	2024
	\$	\$
Cash on hand	2,893	1,721
Cash at bank	992,859	384,180
	<u>995,752</u>	<u>385,901</u>

Note 7. Trade and other receivables

	Consolidated	
	2025	2024
	\$	\$
Trade receivables	212,749	299,138
Less: allowance for doubtful debts	(74,065)	(78,955)
	<u>138,684</u>	<u>220,183</u>
GST/VAT receivables	103,330	158,523
Collateral shares	83,115	164,965
Other receivables	88,318	88,524
	<u>413,447</u>	<u>632,195</u>

Note 8. Other assets

	Consolidated	
	2025	2024
	\$	\$
Rental deposits	28,119	35,550
Prepaid rent	6,650	4,408
Prepayments	52,284	66,845
	<u>87,053</u>	<u>106,803</u>

Note 9. Inventories

	Consolidated	
	2025	2024
	\$	\$
Finished goods – at cost	140,914	137,503
Less: provision for slow-moving stock	-	-
	<u>140,914</u>	<u>137,503</u>

Codeifai Limited
Notes to the consolidated financial statements
For the year ended 31 December 2025

Note 10. Intangibles

	Consolidated	
	2025	2024
	\$	\$
Goodwill – at cost	3,089,466	3,089,466
Less: Accumulated impairment losses	(3,089,466)	(3,089,466)
	<u>-</u>	<u>-</u>
Intellectual property – at cost	16,250,550	16,250,550
Less: Accumulated amortisation	(4,942,153)	(4,942,153)
Less: Accumulated impairment losses	(11,308,397)	(11,308,397)
	<u>-</u>	<u>-</u>
Customer relationships – at cost	206,000	206,000
Less: Accumulated amortisation	(28,000)	(28,000)
Less: Accumulated impairment losses	(178,000)	(178,000)
	<u>-</u>	<u>-</u>
Patent licence rights – at cost	9,004,826	9,586,618
Less: Accumulated impairment losses	(4,690,836)	(4,580,822)
	<u>4,313,990</u>	<u>5,005,796</u>
NVISO licence Agreement – at cost	350,000	350,000
Less: Accumulated amortisation	(18,676)	(18,676)
Less: Accumulated impairment losses	(331,324)	(331,324)
	<u>-</u>	<u>-</u>

Reconciliations

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

Consolidated	Patent licence rights	Total
	\$	\$
Balance at 31 December 2024	<u>5,005,796</u>	<u>5,005,796</u>
Balance at 1 January 2025	5,005,796	5,005,796
Additional during period	-	-
Accumulated amortisation	-	-
Impairment loss	(335,793)	(335,793)
Effect of movement in exchange rates	(356,013)	(356,013)
Balance at 31 December 2025	<u>4,313,990</u>	<u>4,313,990</u>

Codeifai Limited
Notes to the consolidated financial statements
For the year ended 31 December 2025

Note 10. Intangibles (continued)

Patent Licence Rights

MotifMicro development and commercial trials persist during the year ended 31 December 2025, the patent licence rights have not commenced amortisation, however impairment adjustments have been recorded to reflect its assessed carrying amount. MotifMicro's development in 2023/24 advanced through a number of technological achievements together with customers that signed first-adopter agreements to expedite its commercialisation in the market. However, China's restrictions on the export of rare earth materials which commenced in late 2024 (of which MotifMicro is classified) will necessitate a change in strategy moving forward by concentrating development and sales efforts in China which is reflected in this analysis.

The Group is pursuing further opportunities to commercially sell MotifMicro in the future in China by focussing on industry licenses, targeting FMCG, Tobacco, Alcohol to name a few chosen industries.

Impairment testing indicated that the recoverable amount of the patent licence rights were lower than the carrying amount and therefore an impairment adjustment was considered necessary as at 31 December 2025. The valuation methodology ('value in use' or 'VIU') model reflects updated forecasts and progress made on the MotifMicro technology.

The following key assumptions and results arising from the VIU methodology applied are as follows:

- Revenue growth from conversion of forecast sales pipeline for FY2026 with an annual long-term growth rate of 12.5% until 2030 that follows the industry growth rate with a long-term annual growth rate of 2% thereafter;
- Discounted cash flow modelling to 2037 with no terminal value;
- A WACC of 25% (post-tax) assuming a long-term debt/equity ratio of nil; and
- The group securing sufficient funding in future periods to continue as a going concern.

Note 11. Trade and other payables

	Consolidated	
	2025	2024
	\$	\$
Trade payables	1,438,078	1,528,160
Other payables and accruals	2,141,558	1,740,240
	<u>3,579,636</u>	<u>3,268,400</u>

Codeifai Limited
Notes to the consolidated financial statements
For the year ended 31 December 2025

Note 12. Financial liabilities

	Consolidated	
	2025	2024
	\$	\$
Convertible note - (i)	243,973	200,223
Related party convertible note - (i)	98,534	81,034
Related party loans - (ii)	768,279	465,933
	1,110,786	747,190

(i): The convertible notes for \$150,000 and \$25,000 dated May 29th and June 27th 2024 respectively with Flannery Foundation Pty Limited, each had a maturity date of November 1st 2025 and have an interest rate of 25% payable on maturity. The notes have a face value of \$1.00 per note and were convertible subject to shareholder approval at 0.015 per share. The maturity date has now been extended to 31 March 2026 and the conversion rate has been amended to \$0.01, subject to shareholder approval.

(ii): The short-term borrowings from a related party as at 31 December 2025 amount to \$750,000 (31 December 2024: \$380,000) at the interest of 27.61% per annum (31 December 2024: 27.61%) (or part thereof) for a total of \$750,000 as at balance date. 75,000 options were issued as a facility fee at the AGM on 8 May 2025.

Codeifai Limited
Notes to the consolidated financial statements
For the year ended 31 December 2025

Note 13. Equity – Issued capital

Consolidated	2025	2024	2025	2024
	Shares	Shares	\$	\$
Ordinary shares – fully paid	<u>695,211,509</u>	<u>3,150,314,015</u>	<u>92,875,477</u>	<u>88,660,044</u>

Movements in ordinary share capital

Details	Date	Shares	\$
Balance	1 January 2025	3,150,314,015	88,660,044
Conversion of performance rights	18 Feb 2025	20,000,000	60,000
Issuance as payment for the fee establishment to the lenders	7 May 2025	90,000,000	250,000
Consolidation 10:1	21 May 2025	326,031,401	88,955,044
Share placement	6 Jun 2025	98,411,602	570,000
Issuance as payment to service provider	27 Jun 2025	5,995,066	71,899
Issuance as payment to service provider	27 Jun 2025	12,500,000	125,015
Issuance as payment for the fee to the lenders	27 Jun 2025	6,416,199	37,214
Issuance as payment to service provider	2 Jul 2025	19,634,032	97,086
Shares issued on conversion of loans	11 Jul 2025	2,912,294	32,000
Share placements	7 Aug 2025	117,350,000	2,347,000
Shares issued on conversion of loans	8 Aug 2025	26,210,651	180,969
Shares issued on conversion of loans	8 Aug 2025	14,706,250	55,015
Shares issued on conversion of loans	13 Aug 2025	8,785,723	250,000
Shares issued on conversion of loans	31 Dec 2025	2,624,021	12,333
Issuance as payment to service provider	31 Dec 2025	53,634,270	429,074
Less: Transaction costs on shares issued		-	(302,172)
Balance	31 December 2025	<u>695,211,509</u>	<u>92,875,477</u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Group in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the Group does not have a limited amount of authorised capital. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Codeifai Limited
Notes to the consolidated financial statements
For the year ended 31 December 2025
Note 14. Equity – Reserves

		Consolidated	
		2025	2024
	Note	\$	\$
Issued options reserve	(a)	2,000,670	857,262
Share-based payment reserve	(b)	89,267	149,267
Foreign currency translation reserve	(c)	908,001	982,867
		<u>2,997,938</u>	<u>1,989,396</u>

(a) Issued options reserve

The option reserve records items recognised as expenses on valuation of share options issued.

Details	Date	Options	\$
Balance	1 January 2025	702,560,000	857,262
Consolidation 10:1	21 May 2025	70,256,000	857,262
Options issued as partial settlement of the JH loans	6 June 2025	75,000,000	707,436
Options issued as broker fees	27 June 2025	30,089,396	192,454
Options granted to investors of capital raise	8 August 2025	24,417,316	-
Options issued as	1 July 2025	19,634,032	94,202
Options granted to investors of capital raise	30 December 2025	58,675,000	-
Options issued as broker fees	30 December 2025	58,825,000	148,730
Options issued as broker fees	31 December 2025	150,000	586
Options issued for Advisory Board	30 December 2025	3,200,000	-
Options lapsed	31 December 2025	(256,000)	-
Balance	31 December 2025	<u>339,990,744</u>	<u>2,000,670</u>

(b) Performance rights reserve

The share-based payment reserve is used to recognise the value of equity benefits provided to employees and directors as part of their remuneration, and other parties as part of their compensation for services rendered.

Details	Date	\$
Balance	1 January 2025	149,267
Conversion of performance rights	18 February 2025	<u>(60,000)</u>
Balance	31 December 2025	<u>89,267</u>

(c) Foreign currency translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations. Monetary items receivable from or payable to foreign operations whereby settlements to these receivables and payables are not planned nor likely to occur in the foreseeable future are classified as net investment in foreign operations. Exchange differences arising from monetary items that forms part of the Group's net investment in foreign operations are recognised as foreign currency translation reserve in equity.

Codeifai Limited
Notes to the consolidated financial statements
For the year ended 31 December 2025

Note 15. Interests in subsidiaries

The consolidated financial statements incorporate the assets, liabilities, and results of the following subsidiaries:

Name	Principal Place of Business / Country of Incorporation	Ownership Interest	
		2025 %	2024 %
YPB Limited	Hong Kong	100	100
YPB Technology (Beijing) Ltd	People's Republic of China	100	100
Product ID & Quality Systems (Beijing) Ltd	People's Republic of China	100	100
YPB Group (USA) Inc.	USA	100	100
YPB Intellectual Product Protection Inc.	USA	100	100
YPB Group International Co., Ltd	Thailand	100	100
YPB Group Co., Ltd	Thailand	100	100
nTouch Pty Ltd	Australia	100	100
YPB Product Development Pty Ltd	Australia	100	100

Note 16. Reconciliation of loss after income tax to net cash used in operating activities

	Consolidated	
	2025	2024
	\$	\$
Loss after income tax benefit for the year	(6,220,138)	(2,514,767)
Adjustments for:		
Foreign exchange differences	-	(1,162,827)
Depreciation and amortisation expense	6,923	8,039
Impairment of intangible assets	335,793	685,696
Non-cash borrowing costs	1,512,320	492,635
Share based payments	1,369,797	150,000
Other non-cash items	(269,183)	(200,000)
Change in operating assets and liabilities, net of the effects of purchase and disposals of subsidiaries:		
Decrease/(increase) in trade and other receivables	218,748	(273,872)
Decrease/(increase) in other assets	19,750	(9,309)
(Increase)/decrease in inventories	(3,411)	37,759
Increase in trade and other payables	311,237	685,742
Net cash used in operating activities	<u>(2,718,164)</u>	<u>(2,100,904)</u>

Codeifai Limited
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Note 17. Earnings per share

	2025	2024
	\$	\$
Loss after income tax attributable to the owners of YPB Group Limited	(6,220,138)	(2,514,767)
	Number	Number
Weighted average number of ordinary shares used in calculating basic/diluted earnings per share	469,189,328	1,732,770,270 ¹
	Cents	Cents
Basic/Diluted earnings per share	(1.3)	(0.14)

¹Before 10:1 consolidation on 21 May 2025

There are 339,990,734 in share options issued but not included in diluted earnings per share as these would have an antidilutive effect on earnings per share. These potential ordinary shares are anti-dilutive as their conversion to ordinary shares would decrease loss per share.

Note 18. Subsequent events

No 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.