

# Financial Report

Half-year ended 31 December

2025





Kinatico acknowledges the Traditional Owners of the land on which we work throughout Australia and New Zealand. We recognise Aboriginal and Torres Strait Islander peoples' continuing connection to land, place, waters, and community.

Kinatico recognises the unique role of Māori as Tangata Whenua and embraces Te Tiriti o Waitangi recognising Māori as Tino rangatiratanga of Aotearoa/New Zealand while embracing the three guiding principles of the Treaty – Partnership, Participation, and Protection.

We pay our respects to their cultures, country, and elders past, present, and emerging and will endeavour to implement bicultural policies and practices that incorporate and value cultural concepts and values.



# Contents

Company Directory	5
Directors' Report	6
Auditor's Independence Declaration	14
Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income	16
Interim Consolidated Statement of Financial Position	17
Interim Consolidated Statement of Cash Flows	18
Interim Consolidated Statement of Changes in Equity	19
Notes to the Interim Consolidated Financial Statements	20
Directors' Declaration	27
Independent Auditor's Review Report	28



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# Purpose

Powering insights for better, safer workplaces.

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# Mission

Our technology helps your organisation to *know your people*. Simply. While you focus on opportunities, we connect you to insights that lift your capability and mitigate your risk.

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# Vision

A world where data is trusted and organisations are freed to focus on opportunities.

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# Values

- The privacy of data is our highest priority
- Our team's strength comes from everyone's individuality
- Deliver the good and strive for the great
- Gaps are opportunities to make a difference

 Kinatico

# Company Directory

## Australian Company Number

111 728 842  
Kinatico Limited is a Public Company,  
domiciled in Australia.

## Registered Office

Level 4,  
999 Hay Street,  
Perth, WA, 6000 Australia  
Telephone (+61) 8 9388 3000

## Website

[www.kinatico.com](http://www.kinatico.com)

## Securities Quoted

Australian Securities Exchange  
418,591,984, Ordinary Fully Paid Shares  
13,500,000 shares escrowed until 24/01/2027  
5,500,000 shares escrowed until 12/12/2028  
(Code: KYP)

## Share Registry

Automic Pty Ltd  
Level 5, 191 St Georges Terrace  
Perth, WA, 6000 Australia

## Directors (Non-executive)

Ivan Gustavino – Chairman  
Jon Birman  
Georg Chmiel  
Oliver Stewart – resigned 24 October 2025

## Chief Executive Officer

Michael Ivanchenko

## Company Secretary

Craig Sharp

## Auditor

RSM Australia Partners  
Level 32, Exchange Tower,  
2 The Esplanade  
Perth, WA, 6000 Australia

## Solicitor

Steinepreis Paganin  
Level 14, 250 St Georges Terrace  
QVI Building  
Perth, WA, 6000 Australia



# Directors' Report





### For the half-year ended 31 December 2025

The directors present their report together with the interim consolidated financial statements of Kinatico Limited ("Kinatico" or "the Company") and its controlled entities (together referred to as "the Group"), for the half-year ended 31 December 2025.

#### Board of Directors

##### Non-Executive Directors:

- Ivan Gustavino – Chairman
- Jon Birman
- Georg Chmiel
- Oliver Stewart (resigned 24 October 2025)

##### Chief Executive Officer

- Michael Ivanchenko

### Principal Activities

The Group's principal activity during the half-year ended 31 December 2025, was the provision of real-time workforce compliance management through its software-as-a-service (SaaS) RegTech solutions.

These solutions integrate certification and compliance data with business policies and legislative requirements to enable scalable, end-to-end compliance monitoring – from pre-employment through to real-time obligations related to roles and task-based requirements across a broad range of industries.

The Group operates through two core product offerings:

- **Kinatico Compliance** – a cloud-based SaaS platform that streamlines workforce compliance management across the entire employee lifecycle.
- **Kinatico CVCheck** – offering comprehensive pre-employment screening and verification services.

There were no significant changes in the nature of the principal activities of the Group during the half-year.

The Group operates in two geographical segments, Australia and New Zealand.

## Operating and Financial Review

### Operating Review

During the half-year, the Group continued to operate in a dynamic regulatory and business environment characterised by:

- Sustained demand for compliance solutions driven by increasing regulatory requirements across key sectors including education, healthcare, government and professional services
- Continued shift towards holistic solutions with customers prioritising integrated platforms over standalone transactional services
- Product innovation momentum following the successful launch of Kinatico Compliance platform

### Strategic Progress

The half-year marked continued execution of the Group's transformation strategy focused on:



#### Product Transition Execution

The Group successfully executed the product transition during the half-year, with the October 2025 launch of Kinatico Compliance creating anticipated short-term dynamics as existing customers paused to await the next-generation platform. This temporary impact was budgeted and managed while maintaining profitability and a positive cash flow.



#### AI Competitive Advantage Offering

The Group has already established a significant market advantage in AI-powered compliance capabilities through the adoption of AI at a foundational level in the architecture of Kinatico Compliance 12 months ago, enabling AI use in Kinatico CVCheck with model context protocol (MCP) handlers, adoption of responsible AI framework, upskilling of staff and targeted AI deployment within the product and across the supporting business.



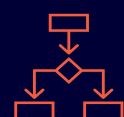
#### SaaS Growth Acceleration

SaaS revenue grew 49.5% year-on-year to \$9.7 million, with annualised SaaS revenue reaching \$19.7 million based on Q2 FY26.



#### Product Development

Ongoing investment in the Kinatico Compliance platform to enhance user experience and expand addressable market.



#### Operational Efficiency

Scaling operations to support revenue growth while maintaining disciplined cost management with a range of tools including AI.



#### Kinatico Compliance Platform Launch Success

The October 2025 launch of Kinatico Compliance has achieved significant early validation across both our initially targeted market segment (SMB) as well as large business customers.



#### Addressable Market Expansion

The Kinatico Compliance platform has more than doubled the Group's serviceable addressable market.

Previously, the complexity of onboarding and implementation (4-6 month deployments requiring \$50-150k in professional services) made SMB customers uneconomic to serve.

Kinatico Compliance's self-service architecture enables deployment in hours with near-zero implementation costs, unlocking an incremental ~300,000 SMB organisations (\$500m+ market opportunity) while also accelerating large businesses deployments.

**The Group remains well-positioned to capitalise on structural tailwinds in the workforce compliance market, supported by a debt-free balance sheet and positive operating cash flow.**



## Artificial Intelligence Capabilities

The Group has a significant competitive advantage through its early adoption of AI-powered compliance capabilities across its solution suite.

### AI as a Competitive Moat

Kinatico’s position with its early adoption of AI makes it an AI disruptor. The Group’s AI competitive position is protected by multiple reinforcing layers:

- Kinatico Compliance has been designed and implemented with AI as its core and not an added-on feature
- Leveraging Domain Expertise (over 10 years of compliance and proprietary knowledge)
- AI Maturity (12 months of production deployment)
- AI enabled development, accelerating speed to market speed to market and service iteration velocity
- Customer-focussed rapid deployment model (utilising self-service architecture).

Together, these five factors create a significant competitive advantage over existing and potential competitors.

### Responsible AI Framework

The Group is implementing a comprehensive responsible AI governance framework aligned with ISO 42001 (AI Management System standard), comprising five foundational principles and documented AI governance processes. This will address enterprise and government procurement requirements for AI governance, providing a competitive advantage in regulated sectors.

## Kinatico Compliance Launch Update

The October 2025 launch of Kinatico Compliance has achieved significant early validation across both our initially targeted market segment (SMB) as well as large business customers.

## SMB Segment

With its self-service architecture enabling deployment in hours with near-zero implementation costs, Kinatico Compliance extends its addressable market size to include the previously unattainable SMB segment. Numerous organisations have signed up to Kinatico Compliance via self-service, within the first three months, validating this investment thesis.

## Large Business Segment

In addition to the above, within three months of launch, the Group has built a sizeable qualified large business pipeline, comprising existing new prospects attracted by the streamlined deployment model and existing customers requesting platform migration. Large business customers are selecting Kinatico Compliance based on deployment speed (days versus months), additional features, and the Group’s existing brand and reputation for valuing data privacy.

## Multi-Segment Product-Market Fit

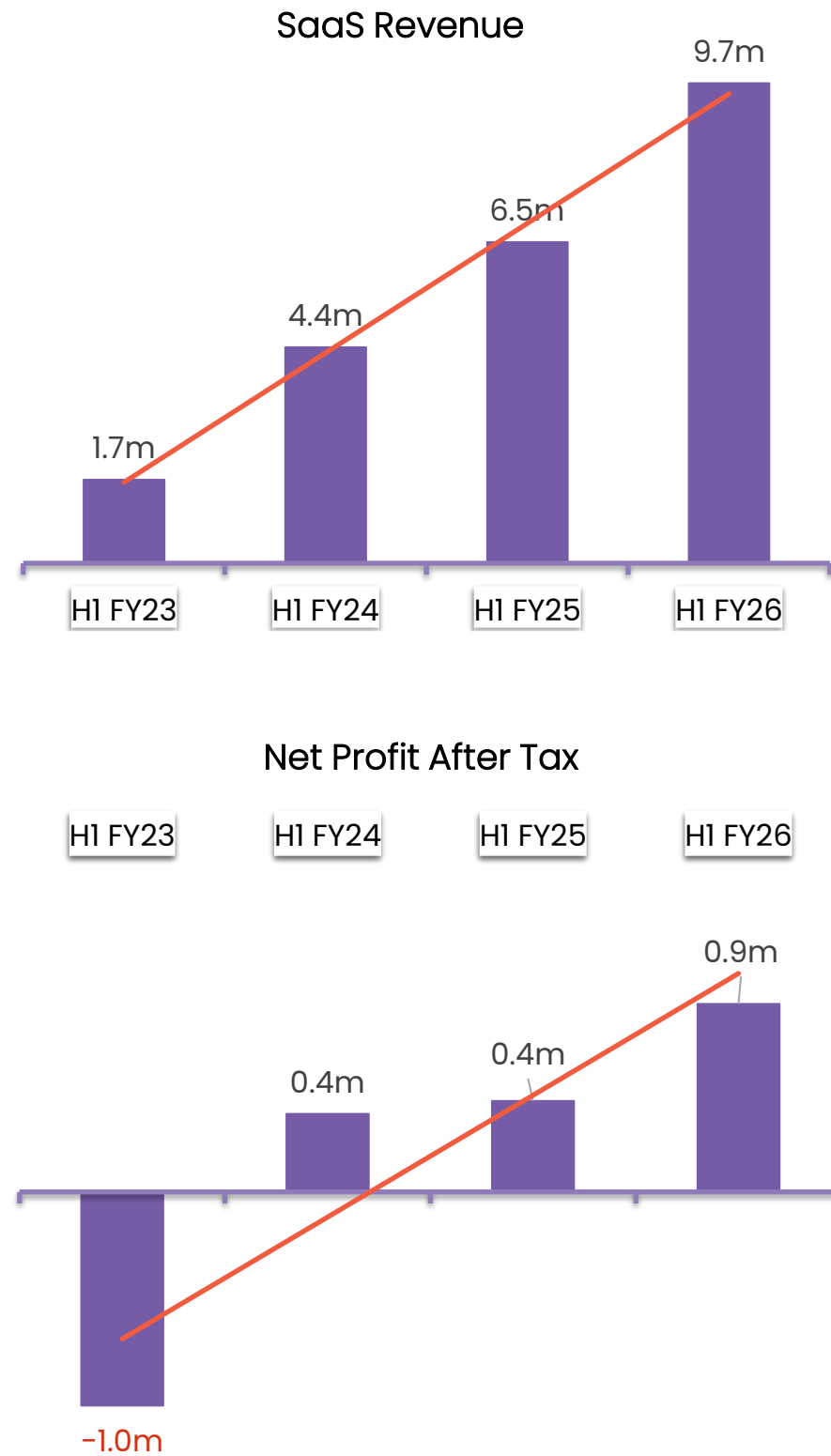
The validation across both segments demonstrates that Kinatico Compliance successfully achieves both accessibility (simple enough for non-technical SMB users to self-serve) and sophistication (powerful enough for large business compliance teams to standardise).

This dual-market appeal differentiates Kinatico Compliance from traditional large business solutions (too complex for SMB) and basic tools (insufficient for enterprise needs). The Group’s ability to serve both segments with a single product platform provides significant economies of scale and reduces go-to-market risk.

## Addressable Market Expansion

The total addressable market has now grown to \$1.5b in Australia. Correspondingly, the serviceable addressable market for Kinatico Compliance has increased to ~\$1.2B in Australia.

SaaS Revenue Growth Drives Sustainable Net Profit After Tax



Financial Review: Highlights:

The Group delivered strong financial performance in the half-year ended 31 December 2025, demonstrating the effectiveness of its strategic transformation to a pure-play SaaS business model and the emergence of operating leverage as the business scales.

Metric	31 Dec 2025	31 Dec 2024	Change
<b>REVENUE TRANSFORMATION</b>			
Total Revenue	\$17.6m	\$15.6m	↑ 13.0%
SaaS Revenue	\$9.7m	\$6.5m	↑ 49.5%
SaaS Mix	55.2%	41.7%	+13.5pp
<b>PROFITABILITY &amp; MARGINS</b>			
Gross Profit	\$11.6m	\$10.0m	↑ 16.2%
Gross Margin	65.9%	64.1%	+1.8pp
EBITDA	\$2.7m	\$2.1m	↑ 30.3%
EBITDA Margin	15.5%	13.4%	+2.1pp
NPAT	\$0.9m	\$0.4m	↑ 106.9%
<b>CASH GENERATION &amp; LIQUIDITY</b>			
Free Cash Flow	\$0.7m	\$0.6m	↑ 12.7%
Cash Balance	\$10.4m	\$9.9m	↑ 5.7%
Net Working Capital	\$8.1m	\$6.5m	↑ 23.8%
Total Debt	Nil	Nil	-

Revenue Transformation

Total revenue increased 13.0% to \$17,631,591 (pcp: \$15,600,621) driven by strong performance of SaaS revenue predominantly across our enterprise customer base.

Software as a Service Revenue

SaaS revenue increased by 49.5% to \$9.7 million, annualised \$19.7 million, based on Q2FY26 (pcp annualised Q2 FY25: \$13.9 million), continuing the strong growth trajectory, validating our continued success in executing our strategy of transitioning a commoditised transactional screening business into a high-value compliance management solution. SaaS represents 55.2% of total revenue (pcp: 41.7%), reflecting the successful transition to a recurring, subscription-based revenue streams:

- Enhanced revenue predictability and forward visibility
- The increasing proportion of SaaS revenue in our mix contributes to improving our unit economics, creating operating leverage that we expect will continue to accelerate as we scale our subscriber base
- Expansion of existing customer relationships with additional modules and services
- Positively influence retention rates as clients recognise the value of integrated compliance management
- Success in targeting sectors with high compliance intensity

Transactional Services Revenue

Transactional revenue decreased by 13.1% to \$7.9 million (pcp: \$9.1 million), reflecting the strategic migration of larger customers to SaaS products and a deliberate move away from low-margin individual revenue. This expected decline was more than offset by the growth in higher-margin SaaS revenue, demonstrating successful execution of the shift towards recurring revenue streams.

Revenue by Geographical Market

The Australian market remains the Group’s primary source of revenue, contributing 90% of total revenue and delivering year-on-year growth of 10.3%.

The New Zealand market recorded exceptional growth of 44.5% (pcp), driven by increased activity as the economy emerged from recession.

## Profitability and Operating Leverage

The Group achieved significant profitability growth, demonstrating the margin improvement reflects the higher-margin profile of SaaS revenue compared to legacy point-in-time transactional revenue.

### Gross Profit

Increased 16.2% to \$11.6 million (pcp: \$10 million), with the margin expanding to 65.9% (up 1.8 percentage points).

### Earnings Before Interest, Tax, Depreciation, and Amortisation (EBITDA)

Increased 30.2% to \$2.7 million (pcp: \$2.1 million), the 15.5% margin up 2.0 percentage points (pcp:13.4%).

### Net Profit After Tax (NPAT)

Up 106.9% to \$0.9 million (pcp: \$0.4 million), or 4.9% of revenue (pcp: 2.7%).

## Balance Sheet

The Group's balance sheet continues to strengthen alongside its operational transformation. Net assets increased 3.9% to \$28.3 million, supported by improved profitability and working capital discipline. With \$10.4 million in cash and no debt, the Group retains significant flexibility to pursue growth

### Net Working Capital

\$8.1 million, up 23.8% on HI FY25, demonstrating improved balance sheet quality and operational strength.

### Cash Position

Cash of \$10.4 million (up from \$10.2 million at 30 June 2025) underpins significant financial flexibility—supporting organic growth, strategic optionality, and continued platform investment, all without the need for external funding.

### Other Current Assets

\$0.7 million (up \$0.4 million from 30 June 2025), in line with expectations and driven by prepayment timing that will unwind in H2 FY26.

### Trade and Other Receivables

Increased modestly to \$3.0 million (up 2.7% from \$2.9 million as at 30 June 2025). This growth lagged revenue expansion, demonstrating disciplined credit management and strong collection metrics.

## Intangible Assets Other:

The Group maintained its commitment to platform innovation with capitalised development assets of \$14.6 million as at 31 December 2025 (30 June 2025: \$14.7 million). This stable net position reflects sustained investment in platform infrastructure and product development, with new capitalisation offsetting amortisation and demonstrating disciplined allocation of resources to technology enhancement.

### Equity:

Grew 3.9% to \$28.3 million, driven by retained earnings from the profitable half-year result.

## Cash Flow Overview

### Cash Generation and Liquidity

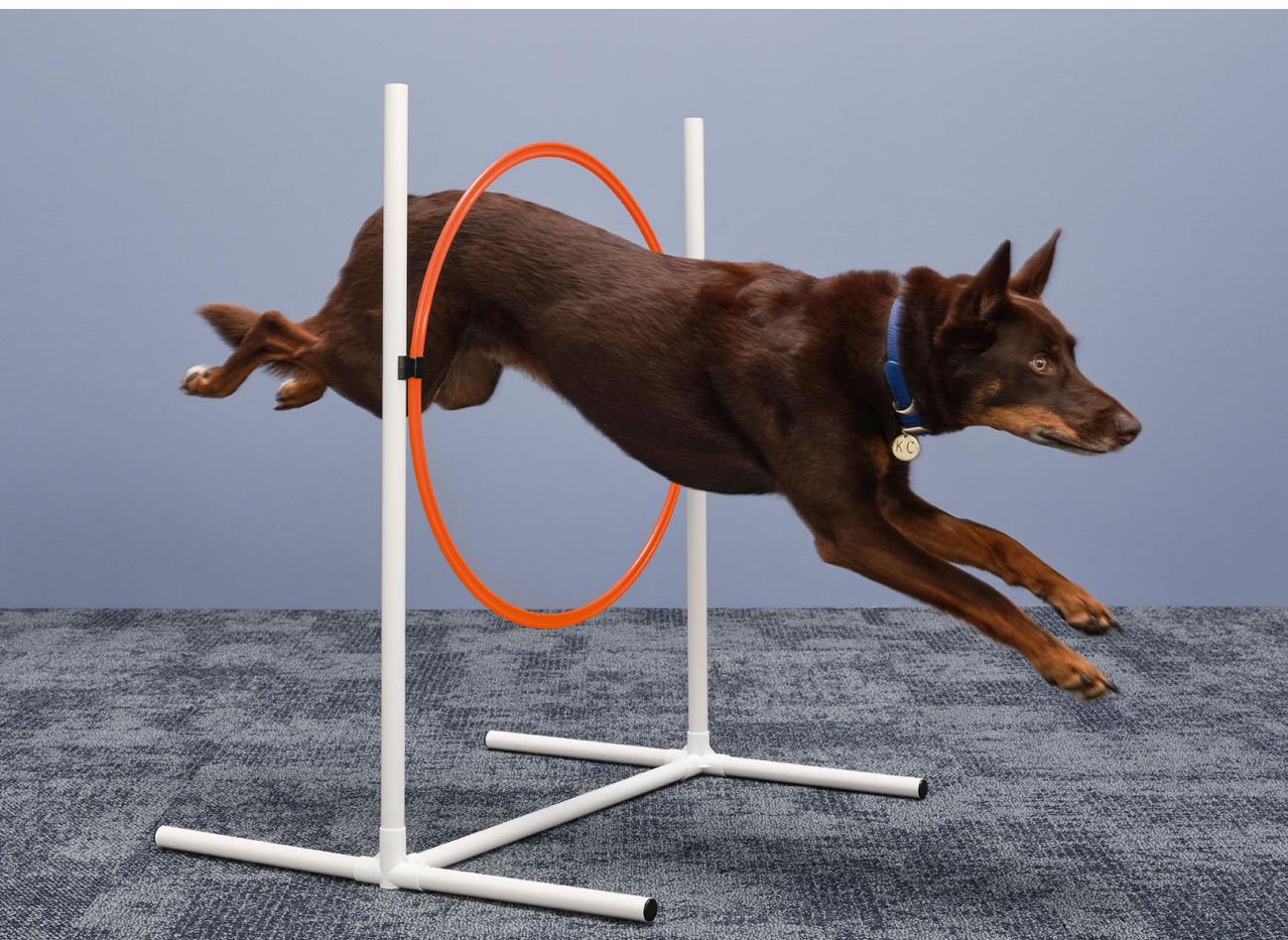
Free Cash Flow of \$0.7 million an increase of 12.7% (pcp: \$0.6 million), a 3.8% FCF margin (pcp: 3.8%) demonstrates the Group's sustainable ability to generate positive free cash, whilst simultaneously investing in product expansion.

### Operating Cash Flow

Operating Cash Flow of \$2.4 million remained strong and broadly inline with prior period (pcp: \$2.6 million), the marginal reduction reflecting a shift in the treatment of development costs and other timing differences of cash outflows.

### Dividends

The Company did not pay any dividends during the period. The Directors do not recommend the payment of a dividend in respect of the half-year.



## Significant Items and Events

### Share-based Payments

During the half-year, the Group granted the following equity-based incentives:

Loan Funded Shares: 5,500,000 loan funded shares were granted to key employees on 28 November 2025.

The shares are subject to:

- Ongoing employment for three years from date of issue
- Minimum share price reaching 143% of the acquisition price.

Premium Exercise Price Options: 5,000,000 unlisted share options were granted to directors on 24 October 2025.

The options:

- Are subject to a three-year performance period commencing 31 October 2025
- Have an exercise price of \$0.496
- Expire on 31 October 2029

Total share-based payment expense for the half-year was \$255,137 (pcp: \$184,038).

### Rounding of amounts

The Group is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding - off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest dollar.

## Outlook and Business Strategy

Looking ahead to the second half of FY2026 and beyond, the Board and management remain confident in the Group's strategic direction and growth trajectory.

### Key Strategic Priorities

1. **Accelerate SaaS Revenue Growth:** Continue to drive adoption of the Kinatico Compliance across existing and new customer segments
2. **Product Innovation:** Further enhance the platform with new compliance modules and functionality
3. **AI-enabled Innovation:** Continue embedding artificial intelligence and machine learning capabilities across our compliance platform and business processes to enhance automation, predictive analytics,

and intelligent workflow optimisation, maintaining technological leadership in the RegTech space

4. **Market Expansion:** Penetrate high-growth sectors including but not limited to, healthcare, professional services, education and government
5. **Operational Excellence:** Scale operations efficiently to support revenue growth while maintaining disciplined cost management
6. **Customer Success:** Invest in customer success capabilities to drive retention and expansion.

### Marketing Outlook

The workforce compliance market continues to be supported by strong structural drivers:

- Increasing regulatory complexity across all sectors
- Growing awareness of compliance risks and the need for systematic management
- Accelerating digital transformation and adoption of cloud-based solutions
- Persistent labour market tightness requiring efficient onboarding and compliance processes

The Group is well-positioned to capitalise on these trends with a proven platform, growing customer base, and strong balance sheet.

### Technology Sector Current Market Conditions

While the ASX technology sector experienced gradual weakness through late 2025, driven by valuation concerns and rising Australian interest rates which saw an overall decline and compression in the ASX Tech index towards the end of first half of FY26. Post 31 December 2025 macro pressures continued, AI capitulation from late January has seen global technology equity markets experienced significant volatility driven by AI disruption concerns, impacting Kinatico's share price, this despite strong H1 FY26 operational performance demonstrating tangible operational leverage through margin expansion, profitable growth, and positive free cash flow.

The Company has been deploying AI for over 12 months. This AI is embedded in platform architecture, driving operational efficiency across the business through support automation and ongoing cost-to-serve reductions. \$10.4 million cash and cash equivalents, zero debt and strong working capital the Company maintains significant strategic flexibility to execute growth initiatives without external funding. Workforce compliance remains judgment-intensive and regulatory-driven. AI enhances rather than replaces our solutions and positioning Kinatico as an AI disruptor. Management remains confident in the Company's strategic positioning and financial strength.

## Financial Guidance

While the Group does not provide specific financial guidance, management expects to demonstrate:

- A re-acceleration of SaaS revenue growth as the sales pipeline for the new Kinatico Compliance product grows and converts
- Continued improvement in operating margins
- Positive operating cash flow being maintained
- Ongoing investment in platform development to support long-term growth.

## 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

Ivan Gustavino, Non-executive Chairman  
16 February 2026



# Auditor's Independence Declaration



**RSM Australia Partners**

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GPO Box R1253 Perth WA 6844

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**AUDITOR'S INDEPENDENCE DECLARATION**

As lead auditor for the review of the financial report of Kinatico Limited 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 AUSTRALIA



AIK KONG TING  
Partner

Perth, WA  
Dated: 16 February 2026

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# Interim 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 (\$)
<b>Revenue</b>	4	17,631,591	15,600,621
Interest and other income		170,906	200,270
<b>Expenses</b>			
External direct costs		(6,019,967)	(5,604,688)
Director and employee benefits		(5,476,652)	(5,078,252)
Depreciation and amortisation		(1,969,603)	(1,799,991)
Advertising and marketing		(1,332,376)	(1,006,004)
Information and technology		(952,981)	(785,926)
Consultants and contractors		(248,610)	(332,279)
Share-based payments	5	(255,137)	(184,038)
Insurance		(215,266)	(219,111)
Occupancy		(97,523)	(103,920)
Other expenses		(332,760)	(249,777)
Profit before income tax for the period		901,622	436,905
Income tax expense		(40,329)	(20,558)
Profit after income tax for the period		861,293	416,347
<b>Other comprehensive income</b>			
Items that may be reclassified subsequently to profit or loss			
Exchange differences arising on translation of foreign operations		(50,661)	(5,617)
Other comprehensive loss for the period (net of tax)		(50,661)	(5,617)
Total comprehensive income for the period attributable to equity holders of the Parent Entity		810,632	410,730
<b>Earnings per share attributable to equity holders of the Parent Entity:</b>			
Basic earnings per Share (cents)		0.206	0.100
Diluted earnings per Share (cents)		0.202	0.100

The accompanying notes form part of these financial statements.

# Interim Consolidated Statement of Financial Position

As at 31 December 2025

	Note	31 Dec 2025 (\$)	30 June 2025 (\$)
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		10,440,880	10,218,007
Trade and other receivables		3,011,930	2,933,842
Other current assets		695,493	258,875
<b>Total Current Assets</b>		<b>14,148,303</b>	<b>13,410,724</b>
<b>NON CURRENT ASSETS</b>			
Plant and equipment		532,862	688,670
Intangible assets - goodwill		4,669,730	4,669,730
Intangible assets - others		14,597,407	14,705,325
Deferred tax asset		19,486	20,953
Other non-current assets		524,100	524,100
<b>Total Non Current Assets</b>		<b>20,343,585</b>	<b>20,608,778</b>
<b>TOTAL ASSETS</b>		<b>34,491,888</b>	<b>34,019,502</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		3,540,035	3,984,379
Provision for employee benefits		793,523	939,170
Contract liabilities		1,266,841	1,080,938
Current lease liability		411,867	393,522
Income tax liability		67,399	64,451
<b>Total Current Liabilities</b>		<b>6,079,665</b>	<b>6,462,460</b>
<b>NON CURRENT LIABILITY</b>			
Non-current lease liability		107,180	317,768
<b>Total Non Current Liability</b>		<b>107,180</b>	<b>317,768</b>
<b>TOTAL LIABILITIES</b>		<b>6,186,845</b>	<b>6,780,228</b>
<b>NET ASSETS</b>		<b>28,305,043</b>	<b>27,239,274</b>
<b>EQUITY</b>			
Issued capital	6	46,537,770	46,537,770
Reserves	7	2,087,523	1,883,047
Accumulated losses		(20,320,250)	(21,181,543)
<b>TOTAL EQUITY</b>		<b>28,305,043</b>	<b>27,239,274</b>

The accompanying notes form part of these financial statements.

# Interim Consolidated Statement of Cash Flows

For the half-year ended 31 December 2025

	31 Dec 2025 (\$)	31 Dec 2024 (\$)
<b>Cash flows from operating activities</b>		
Receipts from customers	19,904,149	17,470,805
Payments to suppliers and employees	(17,637,980)	(15,016,798)
Finance costs paid	(21,088)	(37,342)
Interest received	160,286	194,729
Income tax paid	(33,538)	(29,653)
Net cash flows from operating activities	2,371,829	2,581,741
<b>Cash flows from investing activities</b>		
Payment for purchases of plant and equipment	(34,684)	(31,626)
Payment for intangible assets	(1,671,551)	(1,959,297)
Net cash used in investing activities	(1,706,235)	(1,990,923)
<b>Cash flows from financing activities</b>		
Repayment for lease liabilities	(192,245)	(204,409)
Repayment of business insurance premiums	(181,917)	(254,458)
Net cash used in financing activities	(374,162)	(458,867)
<b>Net increase in cash and cash equivalents</b>	<b>291,432</b>	<b>131,951</b>
Cash and cash equivalents at the beginning of the period	10,218,008	9,752,262
Effects of exchange rate changes on the balance of cash held in foreign currencies	(68,560)	(6,248)
Cash and cash equivalents at the end of the period	10,440,880	9,877,965

# Interim Consolidated Statement of Changes in Equity

For the half-year ended 31 December 2025

	Issued Capital (\$)	Share-based Payment Reserve (\$)	Foreign Currency Translation Reserve (\$)	Accumulated Losses (\$)	Total (\$)
Balance at 1 July 2024	46,537,770	1,552,127	(48,409)	(22,309,997)	25,731,491
Profit for the period	-	-	-	416,347	416,347
Exchange differences on translation of foreign operations	-	-	(5,617)	-	(5,617)
Total comprehensive profit for the period	-	-	(5,617)	416,347	410,730
Transactions with owners in their capacity as owners:					
Share-based payments	-	184,038	-	-	184,038
Balance at 31 December 2024	46,537,770	1,736,165	(54,026)	(21,893,650)	26,326,259
Balance at 1 July 2025	46,537,770	1,920,203	(37,156)	(21,181,543)	27,239,274
Profit for the period	-	-	-	861,293	861,293
Exchange differences on translation of foreign operations	-	-	(50,661)	-	(50,661)
Total comprehensive profit for the period	-	-	(50,661)	861,293	810,632
Transactions with owners in their capacity as owners:					
Share-based payments	-	255,137	-	-	255,137
Balance at 31 December 2025	46,537,770	2,175,340	(87,817)	(20,320,250)	28,305,043

The accompanying notes form part of these financial statements.

# Notes to the Interim Consolidated Financial Statements

For the half-year ended 31 December 2025

## Note 1. Company Information

The interim consolidated financial statements of Kinatiko Limited and its subsidiaries (collectively, 'the Group') for the half-year ended 31 December 2025 were authorised for issue in accordance with a resolution of the directors on 16 February 2026.

Kinatiko Limited ('the Company') is a for profit company, limited by shares, incorporated, and domiciled in Australia whose shares are publicly traded on the Australian Securities Exchange.

The Group's principal activity for the half-year ended 31 December 2025 consisted of the provision of *know your people* services, comprising SaaS-based workforce management and compliance technology systems complemented by screening and verification services.

## Note 2. General Information and Basis of Preparation

### a. Statement of compliance

The interim consolidated financial statements for the half-year ended 31 December 2025 have been prepared in accordance with 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'.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 30 June 2025 and any public announcements made by the Group during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

### b. Material accounting policies

The accounting policies applied in these financial statements are consistent with those applied by the Group in the 30 June 2025 consolidated financial statements, except as disclosed in note 2(c).

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2025 half-year reporting period and have not been applied in these financial statements.

### c. New and amended standard adopted by the Group

The Group has adopted all the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period and were relevant to the Group. The adoption of the new and amended accounting standards and interpretations had no material impact on the Group. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been adopted early.

### d. Critical accounting estimates and judgements

When preparing the Interim Financial Statements, management undertakes a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the Interim Financial Statements, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual financial statements for the year ended 30 June 2025.

## Note 3

### Note 3. Segment Information

The Group is organised into two operating segments based on geographical locations consisting of Australia and New Zealand. These operating segments are 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.

Performance is measured based on segment operating profit. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information is reported to the CODM monthly.

	Australia (\$)	New Zealand (\$)	Elimination (\$)	Total (\$)
<b>For the half-year ended 31 December 2025</b>				
Revenue	15,808,471	1,823,120	-	17,631,591
EBITDA	1,668,011	1,058,034	-	2,726,045
Depreciation and amortisation	(1,967,061)	(2,542)	-	(1,969,603)
Interest income	184,282	3,237	(21,790)	165,729
Interest expense	(20,327)	(21,790)	21,790	(20,327)
Other non-operating income / (expense)	814,562	(814,784)	-	(222)
Profit before income tax	679,467	222,155	-	901,622
Income tax expense	-	(40,329)	-	(40,329)
Profit after income tax	679,467	181,826	-	861,293
<b>31 December 2025</b>				
<b>Assets</b>				
Segment assets	33,012,803	2,640,078	(1,160,993)	34,491,888
Total assets	33,012,803	2,640,078	(1,160,993)	34,491,888
<b>31 December 2025</b>				
<b>Liabilities</b>				
Segment liabilities	5,756,130	1,591,706	(1,160,991)	6,186,845
Total Liabilities	5,756,130	1,591,706	(1,160,991)	6,186,845

## Note 3

## Segment Information Continued

	Australia (\$)	New Zealand (\$)	Elimination (\$)	Total (\$)
<b>For the half-year ended 31 December 2024</b>				
Revenue	14,338,551	1,262,070	-	15,600,621
EBITDA	1,509,959	581,940	-	2,091,899
Depreciation and amortisation	(1,767,629)	(32,362)	-	(1,799,991)
Interest income	232,628	3,968	(36,326)	200,270
Interest expense	(32,354)	(40,506)	36,326	(36,534)
Other non-operating income / (expense)	414,860	(433,599)	-	(18,739)
Profit before income tax	357,464	79,441	-	436,905
Income tax expense	-	(20,558)	-	(20,558)
Profit after income tax	357,464	58,883	-	416,347
<b>30 June 2025</b>				
<b>Assets</b>				
Segment assets	32,734,117	2,628,269	(1,342,884)	34,019,502
Total assets	32,734,117	2,628,269	(1,342,884)	34,019,502
<b>30 June 2025</b>				
<b>Liabilities</b>				
Segment liabilities	6,412,055	1,711,055	(1,342,882)	6,780,228
Total Liabilities	6,412,055	1,711,055	(1,342,882)	6,780,228

## Note 4

## Note 4. Revenue

	31 December 2025 (\$)	31 December 2024 (\$)
<b>Type of service</b>		
<b>Transactional</b>		
Criminal history checks	6,089,154	7,389,746
Other checks	1,807,853	1,698,147
<b>Total Transactional Revenue</b>	<b>7,897,007</b>	<b>9,087,893</b>
Software as a Service	9,734,584	6,512,728
<b>Total Revenue</b>	<b>17,631,591</b>	<b>15,600,621</b>
<b>Geographical markets</b>		
Australia	15,808,471	14,338,551
New Zealand	1,823,120	1,262,070
<b>Total Revenue</b>	<b>17,631,591</b>	<b>15,600,621</b>
<b>Timing of revenue recognition</b>		
Services rendered at a point-in-time	13,331,017	11,811,108
Services rendered over time	4,300,574	3,789,513
<b>Total Revenue</b>	<b>17,631,591</b>	<b>15,600,621</b>



## Note 5. Share-based Payments

### Share Options

On 24 October 2025, 5,000,000 unlisted premium exercise price options were granted to the directors. The options are subject to a three-year performance period commencing on 31 October 2025. Each option has an exercise price of \$0.496 and expires on 31 October 2029.

	31 Dec 2025		30 June 2025	
	No.	\$	No.	\$
At beginning of the period / year	-	437,906	-	437,906
Granted during the period / year	5,000,000	-	-	-
Expense recognised during the period / year	-	45,264	-	-
At end of the period / year	5,000,000	483,170	-	437,906

### Performance Rights

	31 Dec 2025		30 June 2025	
	No.	\$	No.	\$
At beginning of the period/year	-	588,599	-	588,599
Expense recognised during the period / year	-	-	-	-
At end of the period / year	-	588,599	-	588,599

### Entitlement to Performance Shares

	31 Dec 2025		30 June 2025	
	No.	\$	No.	\$
At beginning of the period/year	4,000,000	441,681	4,000,000	380,270
Expense recognised during the period / year	-	30,705	-	61,411
At end of the period / year	4,000,000	472,386	4,000,000	441,681

### Loan Funded Shares

On 28 November 2025, 5,500,000 loan funded shares were granted to key employees. The loan funded shares are subject to vesting conditions requiring the ongoing employment for three years from the date of issue and minimum share price reaching 143% of the acquisition.

	31 Dec 2025		30 June 2025	
	No.	\$	No.	\$
At beginning of the period / year	13,500,000	452,017	15,000,000	145,352
Granted during the period / year	5,500,000	-	-	-
Cancelled during the period / year	-	-	(1,500,000)	-
Expense recognised during the period / year	-	179,168	-	306,665
At end of the period / year	19,000,000	631,185	13,500,000	452,017



## Note 5, 6, &amp; 7

## Share-based Payments continued

## Pricing models

The fair value of the respective instruments granted under their respective plans are fair value at the grant date. The following tables list the inputs to the models.

Grant Date	Expiry Date	Number	Share Price At Grant Date Cents Per Share	Exercise Price Cents Per Share	Expected Volatility	Dividend Yield	Risk Free Interest Rate	Fair Value At Grant Date Cents Per Share
<b>Entitlement to performance shares</b>								
24-Jan-24	24-Jan-29	4,000,000	11.5	-	70.0%	-	3.72%	10.6
<b>Loan funded shares</b>								
15-Jan-24	15-Jan-29	8,500,000	11.5	12.0	70.0%	-	3.72%	6.9
15-Jan-24	15-Jan-29	6,500,000	11.5	12.0	70.0%	-	3.72%	6.7
28-Nov-25	27-Nov-30	5,500,000	29.0	29.0	60.0%	-	4.05%	15.8
<b>Premium Exercise Price Options</b>								
24-Oct-25	31-Oct-29	5,000,000	38.5	49.6	60.0%	-	3.55%	16.3

## Note 6. Issued Capital

	31 December 2025		30 June 2025	
	No.	\$	No.	\$
At beginning of the period / year	418,591,984	46,537,770	418,591,984	46,537,770
Transactions during the period / year	-	-	-	-
At end of the period / year	418,591,984	46,537,770	418,591,984	46,537,770

## Note 7. Reserves

	31 Dec 2025			30 June 2025		
	Share-based Payments	Foreign Currency Translation	Total	Share-based Payments	Foreign Currency Translation	Total
	\$	\$	\$	\$	\$	\$
At beginning of the period / year	1,920,203	(37,156)	1,883,047	1,552,127	(48,409)	1,503,718
Share-based payments	255,137	-	255,137	368,076	-	368,076
Movement of foreign currency translation reserve	-	(50,661)	(50,661)	-	11,253	11,253
At end of the period / year	2,175,340	(87,817)	2,087,523	1,920,203	(37,156)	1,883,047

Note 8, 9 & 10

## Note 8. Commitments and Contingencies

### a. Commitments

There are no capital commitments as of 31 December 2025 (30 June 2025: NIL).

### b. Contingent assets

There are no contingent assets as of 31 December 2025 (30 June 2025: NIL).

### c. Contingent liabilities

The Group has given bank guarantees as of 31 December 2025 of \$524,100 (30 June 2025: \$524,100).

## Note 9. Events After the Reporting Date

There are no other matter, or circumstance has arisen since 31 December 2025 that significantly affected, or may significantly affect, the state of affairs or operations of the Group in future financial periods.

## Note 10. Dividends

There were no dividends declared for the half-year ended 31 December 2025 (2024: NIL).



# Directors' Declaration

## 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

Ivan Gustavino, Chairman  
16 February 2026  
Perth, Western Australia





# Kinatico

Independent  
Auditor's Review  
Report



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## INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of KINATICO LIMITED

### Report on the Half-Year Financial Report

#### *Conclusion*

We have reviewed the accompanying half-year financial report of Kinatico Limited (the Company) and its subsidiaries (the Consolidated Entity) which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising material accounting policy information and other explanatory information, and the directors' declaration of the Consolidated Entity comprising the Company and the entities it controlled at the half-year end or from time to time during the half-year.

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 Consolidated Entity is not in accordance with the *Corporations Act 2001* including:

- (a) 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
- (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*. 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.

## THE POWER OF BEING UNDERSTOOD

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We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Kinatico Limited, 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 Kinatico Limited 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 Half-Year 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 Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, 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 Consolidated Entity'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



AIK KONG TING  
Partner

Perth, WA  
Dated: 16 February 2026

