



**Appendix 4D**  
**Senetas Corporation Limited**  
**Results for announcement to the market**  
**ACN 006 067 607**

**1 Details of the reporting period and the previous corresponding period**

	Reporting Period		Previous Corresponding Period	
	Half-year ended 31 December 2025		Half-year ended 31 December 2024	
<b>2 Results for announcement to the market</b>	<b>31-Dec-25</b>	<b>31-Dec-24</b>	<b>Change</b>	
	\$	\$	\$	%
2.1 Revenues from ordinary activities	9,475,715	9,531,332	(55,617)	(0.58%)
2.2 Net profit/(loss) before tax attributable to members from continuing operations	(573,724)	1,004,596	(1,578,321)	(157.11%)
2.3 Net profit/(loss) after tax attributable to members from continuing operations	(556,681)	755,551	(1,312,232)	(173.68%)
2.4 Net profit/(loss) from discontinued operations attributable to members	-	(2,148,059)	2,148,059	(100.00%)
2.5 Net profit/(loss) for the period attributable to members	(556,681)	(1,392,508)	835,827	(60.02%)
2.6 Other comprehensive income/(loss) for the year attributable to members (foreign currency translation reserve)	(1,110)	(525,690)	524,580	99.79%
<b>3 Net comprehensive income/(loss) after tax attributable to members</b>	<b>(557,791)</b>	<b>(1,918,198)</b>	<b>1,360,406</b>	<b>(70.92%)</b>

**Brief Explanation of Figures 2.1 to 3**

Commentary on the results for the period and additional ASX Appendix 4D (Listing Rule 4.2A.3) disclosures can be found in the Consolidated Interim Financial Report of Senetas Corporation Limited for the period ended 31 December 2025 attached. This document should be read in conjunction with the Annual Report of Senetas Corporation Limited for the year ended 30 June 2025 and any public announcements made in the period by Senetas Corporation Limited in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and the ASX Listing Rules.

**4 Movement in retained earnings**

Please refer to attached Interim Financial Report

**5 Dividends and distribution payments**

Interim dividend / distribution

None

Final dividend / distribution

No final dividend proposed

**6 Net tangible asset Backing**

**31-Dec-25      31-Dec-24**

**(\$ Per Share) (\$ Per Share)**

Net tangible asset backing per ordinary security

2.27      (1.06)

**Appendix 4D (continued)**

<b>7 Details of Entities Over Which Control Has Been Gained or Lost During The Period</b>	None
<b>8 Details of Associates / Joint Venture Holdings</b>	None
<b>9 Other Information on Financial Statements</b>	Please refer to attached Interim Financial Report
<b>10 Foreign Entities – accounting standards used to prepare report</b>	None
<b>11 Other Information</b>	None
<b>12 Independent Review Report</b>	This report is based on accounts which have been reviewed. An unqualified review conclusion has been issued.



Francis W. Galbally  
Chairman  
Date: 27 February 2026



Interim Consolidated Financial Report  
for the half-year ended 31 December 2025

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# CORPORATE INFORMATION

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## Non-Executive Directors

Francis W. Galbally - Chairman  
Chris Fedde (appointed 17 November 2025)  
Lachlan P. Given  
Kenneth J. Gillespie  
Lawrence D. Hansen (resigned 17 November 2025)  
Philip Schofield

## Executive Director and Chief Executive Officer

Andrew R. Wilson

## Company Secretary

Brendan Case

## Registered Office

### **Senetas Corporation Limited**

312 Kings Way  
South Melbourne VIC 3205  
Phone: +61 3 9868 4555  
Web: [www.senetas.com](http://www.senetas.com)  
Email: [corporate@senetas.com](mailto:corporate@senetas.com)

## Share Register

### **Computershare Registry Services Pty Ltd**

Yarra Falls, 452 Johnston Street,  
Abbotsford VIC 3061  
Phone: + 61 3 9415 5000  
Toll Free 1300 13 83 25

## Investor Relations

For all investor enquiries  
Phone: 1300 787 795  
Email: [investor@senetas.com](mailto:investor@senetas.com)

## Auditors

### **Grant Thornton Audit Pty Ltd**

Collins Square, Tower 5  
727 Collins Street  
Melbourne VIC 3008

# DIRECTORS' REPORT

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## Senetas Corporation Ltd

Senetas Corporation Ltd (ASX: SEN) (Senetas / the Company) is a leading developer and manufacturer of certified, high-assurance encryption hardware; virtualised (software based) network encryption; and advanced encrypted file sharing application.

Your directors are pleased to submit their report for the half-year ended 31 December 2025 (HY26).

## Names, Qualifications, Experience and Special Responsibilities

The following directors were in office for the entire financial period and until the date of this report unless otherwise noted:

Francis W. Galbally	Director (Executive Chairman)
Andrew R. Wilson	Director (Executive)
Chris Fedde	Director (Non-Executive) - appointed 17 November 2025
Lachlan P. Given	Director (Non-Executive)
Kenneth J. Gillespie	Director (Non-Executive)
Lawrence D. Hansen	Director (Non-Executive) - resigned 17 November 2025
Philip Schofield	Director (Non-Executive)

## DISTRIBUTIONS PAID AND PROPOSED

	Cents	\$
Distributions paid during the period:	0.00120772	2,002,181

The return of capital relating to the financial reporting period ended 30 June 2025 was approved by the shareholders on 14 November 2025.

The record date for the capital return was 20 November 2025 and the payment date was 27 November 2025.

## CORPORATE INFORMATION

Senetas is a company limited by shares incorporated in Australia whose shares are publicly traded on the Australian Securities Exchange.

## NATURE OF OPERATIONS AND PRINCIPAL ACTIVITIES

The principal activity of the entities within the consolidated group during the year was the sale of IT security products which provide network data security solutions to businesses and governments around the world.

## SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There are no significant changes in the state of affairs.

# DIRECTORS' REPORT

## OPERATING & FINANCIAL REVIEW

### HY2026 Summary Financial Highlights:

Six months ended 31 December 2025 (\$000's)	HY2026	HY2025
<b>Consolidated Continuing Operations</b>		
Revenue from ordinary activities	9,475,715	9,531,332
Gross profit	7,159,348	8,267,146
Other income	164,017	105,735
Profit/(loss) before tax from continuing operations	(1,092,454)	312,430
Tax benefit/(expense)	17,043	(249,045)
Net profit/(loss) after tax from continuing operations	(1,075,411)	63,386
Profit/(loss) from discontinued operations	-	(3,874,140)
Net profit/(loss) after tax for the period	(1,075,411)	(3,810,754)
Net profit/(loss) after tax from continuing operations attributable to members	(556,681)	755,551
<b>Senetas Operating Segment</b>		
Senetas segment revenue	9,475,716	9,531,332
Senetas segment profit before tax	1,818,631	1,867,890
Senetas segment profit after tax	1,835,674	1,618,845

- HY2026 consolidated revenue of \$9.5 million was similar to the prior period (HY2025: \$9.5 million) despite the expected Middle East sales that were delayed until the March quarter of FY2026
- Gross margin was temporarily lower due to higher materials and support services expense – a higher proportion of sales relating to lower margin inventory transfers to our global distribution partner during the half, and sales mix
- Gross margins are expected to normalise in FY2026 as that inventory is on-sold to end customers
- Loss before tax for the continuing business was \$1.1 million and the net loss after tax for continuing business attributable to members was \$0.6 million. The consolidated loss reflects the temporarily lower gross margin in HY2026
- For the Senetas operating segment the net profit after tax was \$1.8 million (HY2025; \$1.6 million)

### Senetas operational review

Senetas segment revenue was \$9.5 million – in line with the prior period (HY2025: \$9.5 million), but lower than expected due to a large Middle Eastern sale that was incomplete at 31 December due to delayed export permits. The transactions are expected to be completed in the March quarter of 2026 bringing an additional \$1.3 million of revenue and \$1.0 million of profit before tax when completed.

Product sales in HY2026 were higher and maintenance revenue was lower than the prior period due to the timing of large contract renewals and subsequent revenue recognition. Maintenance revenue represented approximately 46% of total revenue.

There was good revenue growth in both the Asia Pacific (+42%) and Europe, Middle East & Africa (+33%) regions, whilst the North American region was lower than the prior year. The North American government and defence market remains solid, however, Senetas has seen some consistent softening in the US commercial market in recent periods.

Both Asia and the Middle East are increasingly providing Senetas with some of its most attractive new sales opportunities. Senetas sovereign encryption capabilities are playing an increasingly significant role in these opportunities.

# DIRECTORS' REPORT

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The Senetas segment underlying operating profit before tax of \$1.8 million was similar to the prior period despite the temporarily delayed Middle Eastern sale, and the outlook for the remainder of FY2026 is encouraging.

Key focus of R&D activities in HY2026 included:

- Ongoing development of a new version of the Senetas 100Gbps hardware encryptor that will enhance the range of use cases available for that product
- Finalising development of the next generation 10Gbps encryptor
- Continued development of sovereign encryption capabilities – these capabilities are unique and address a gap in the market
- Ongoing enhancements to Senetas post quantum encryption capabilities

As outlined set out in the FY2025 results materials, the focus for Senetas in FY2026 is to continue expanding the addressable market for the Company's security solutions. These initiatives have a number of aspects including:

- Expanding and upgrading of security certifications in order to grow the use cases for Senetas products and to access markets where Senetas has not previously had access (e.g. Asia)
- Utilising the growing footprint of our global distribution partner (Thales) by expanding our presence in geographic markets where to date we have had limited success
- Product developments such as quantum readiness, enhanced customisation capabilities, virtualisation etc
- Implementing new customer requests to provide bespoke products utilising country specific sovereign encryption algorithms
- Senetas also announced new strategic alliance with Nokia during the period to deliver joint capabilities specifically designed for mission-critical network environments. The partnership combines Senetas's globally certified, quantum-resistant encryption technology with Nokia's trusted mission-critical network solutions, underpinned by its Defence-in-Depth cybersecurity framework.

To date in FY2026 Senetas has seen significant new opportunities arising in Asia, the Middle East and South America with particular focus on our sovereign encryption capabilities, and we expect that these will deliver good growth for the business through the next 12-18 months and beyond.

## Capital Management

A strong balance sheet and positive cash flow outlook led the Senetas board to consider the capital structure of the Company and some initial near-term capital management initiatives.

At the 2025 Annual General Meeting Senetas shareholders approved those initiatives; an equal capital reduction to return approximately \$2 million of capital to shareholders, and a 100:1 share consolidation, being the consolidation of every 100 fully paid ordinary shares into 1 fully paid ordinary share.

Senetas has applied to the Australian Taxation Office (ATO) for a class ruling to confirm whether the capital return payment to shareholders will be treated as a return of capital rather than income in the hands of shareholders. A ruling has not yet been received from the ATO.

The capital reduction and share consolidation were completed in December 2025. Following the share consolidation Senetas now has approximately 16.6 million fully paid ordinary shares on issue.

The Senetas board will continue to monitor the Company's cash flow outlook and review opportunities for additional near and medium-term capital management activity as cash levels build above business requirements.

# DIRECTORS' REPORT

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## Balance sheet and cash flow

Consolidated net assets for Senetas at 31 December 2025 were \$43.9 million, or \$2.64 per share (Net Tangible assets of \$2.27 per share) with cash on hand of \$6.7 million and no debt in the Senetas operating business.

The lower cash balance at 31 December 2025 reflects the operating cash outflows during the half year and the \$2 million capital return to shareholders in December 2025. Lower operating cash flows reflect the higher materials and support services expense during the period and higher receivables at 31 December 2025. Normalised gross margins and sales momentum are expected to deliver stronger operating cash in the remainder of FY2026.

Trade and other receivables at 31 December 2025 included \$6.7 million due to be received from Menlo in the March 2026 quarter in relation to the Votiro sale. The Financial asset at FVTPL of \$31.4 million represents 100% of the current value of VGM Aust Holdings Pty Ltd's (the former Votiro holding company) investment in Menlo Security Inc. following the sale of the Votiro business in February 2025. The Senetas share of this investment is \$19.5 million.

Lower operating cash flows reflect the higher materials and support services expense during the period and higher receivables at 31 December 2025. Investing cash flows reflect proceeds from the sale of Votiro that were received during HY2026, and financing cash outflows largely reflect the \$2 million capital return completed in December 2025.

Investing cash flows reflect proceeds from the sale of Votiro that were received during HY2026, and financing cash outflows largely reflect the \$2 million capital return completed in December 2025.

At 27 February 2026, cash receipts since 31 December 2025 from recent sales had increased the consolidated cash balance to \$8.7 million. That balance is expected to grow to approximately \$15 million in March 2026 following receipt of the Votiro cash from Menlo.

## Outlook

The sales into the Middle East that were expected to be completed in HY2026 were temporarily held up by delays with export permits. These sales are expected to be completed in the March quarter of 2026 bringing an additional \$1.3 million of revenue and \$1.0 million of profit before tax into the second half of FY2026.

Senetas expects operating business revenue and profit to grow in FY2026, supported by higher sales momentum and increased focus on our key growth markets.

As has always been the case for Senetas, the timing for completion of large transactions in our sales pipeline remain inherently variable and may shift between reporting periods. There are several such transactions currently in our sales pipeline and their completion before 30 June 2026 would support a strong FY2026 result. However, sales deferrals into FY2027 would likely see FY2026 broadly in line with last year, despite the significant underlying progress that has been made in building sales momentum.

Senetas will provide the market with further updates on these large transactions if and when they are realised.

The indirect investment in Menlo Security Inc. shares continues to represent a significant growth asset that is expected to create increasing value for Senetas shareholders.

A strong and growing cash balance, profitable and cash generative outlook for the underlying Senetas operating business, and the potential for further cash realisations over time from the Menlo investment are expected to provide the Senetas board with the capacity to consider ongoing capital management opportunities in the near and medium term

## SIGNIFICANT EVENTS AFTER THE REPORTING DATE

In February 2026, Menlo Security Inc. initiated settlement of the Votiro holdback transaction consideration of approximately US\$4.3m (A\$6.0m). These funds are currently with the Israeli paying agent, with the net proceeds expected to be remitted to VGM Aust. Holdings Pty Ltd in March 2026 pending final clearance from the Israeli tax authorities.

# DIRECTORS' REPORT

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## **ROUNDING**

The Company is an entity to which ASIC Class Order 2016/191 applies and, accordingly the amounts contained in the financial report have been rounded to the nearest \$1 (where rounding is applicable).

## **ENVIRONMENTAL REGULATION AND PERFORMANCE**

The consolidated entity is not subject to any particular or significant environmental regulations.

Signed in accordance with a resolution of the directors



Francis W. Galbally  
Chairman  
Date: 27 February 2026

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**Grant Thornton Audit Pty Ltd**

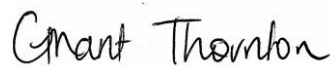
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## Auditor's Independence Declaration

### To the Directors of Senetas Corporation Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Senetas Corporation Limited for the half-year ended 31 December 2025. I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b no contraventions of any applicable code of professional conduct in relation to the review.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



J D Vasiliou  
Partner – Audit & Assurance

Melbourne, 27 February 2026

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## Interim Consolidated Statement of Comprehensive Income

### FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Notes	CONSOLIDATED	
		December 2025	December 2024
		\$	\$
<b>Continuing Operations</b>			
Revenue from contracts with customers	1	9,475,715	9,531,332
<b>Revenue</b>		<b>9,475,715</b>	<b>9,531,332</b>
Materials and support services expense		(2,316,367)	(1,264,186)
Other income		164,017	105,735
Employee benefits expense	2(a)	(4,519,351)	(4,452,933)
Depreciation and amortisation expense	2(b)	(273,826)	(290,505)
Administration expenses	2(c)	(2,455,831)	(2,013,545)
Professional fees	2(d)	(754,138)	(834,200)
Other expenses	2(e)	(186,199)	(210,297)
Other gains/(losses) - net	2(f)	46,169	19,444
Finance costs	2(g)	(272,644)	(278,414)
<b>Profit/(Loss) before income tax</b>		<b>(1,092,454)</b>	<b>312,430</b>
Income tax (expense)/benefit		17,043	(249,045)
<b>Profit/(Loss) from continuing operations</b>		<b>(1,075,411)</b>	<b>63,386</b>
<b>Loss from discontinued operations</b>	13	-	(3,874,140)
<b>Loss for the period</b>		<b>(1,075,411)</b>	<b>(3,810,754)</b>
<b>Other comprehensive income/(loss)</b>			
Items that may be subsequently classified to profit or loss			
Exchange differences on translating foreign operations		(1,110)	(880,960)
<b>Other comprehensive income/(loss) for the year</b>		<b>(1,110)</b>	<b>(880,960)</b>
<b>Total comprehensive (loss)/ income for the year, net of tax</b>		<b>(1,076,521)</b>	<b>(4,691,714)</b>

## Interim Consolidated Statement of Comprehensive Income FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Notes	CONSOLIDATED	
		December 2025	December 2024
		\$	\$
<b>Loss for the period is attributable to:</b>			
Owners of the parent		(556,681)	(1,392,508)
Non-controlling interest		(518,730)	(2,418,246)
		<b>(1,075,411)</b>	<b>(3,810,754)</b>
<b>(Loss)/profit attributable to owners of the parent from:</b>			
Continuing operations		(556,681)	755,551
Discontinued operations		-	(2,148,059)
		<b>(556,681)</b>	<b>(1,392,508)</b>
<b>Total comprehensive (loss)/profit for the year is attributable to:</b>			
Owners of the parent		(557,791)	(1,918,198)
Non-controlling interest		(518,730)	(2,773,516)
		<b>(1,076,521)</b>	<b>(4,691,714)</b>

	Notes	Cents	Cents
<b>Earnings per share from continuing operations</b>			
Basic profit/(loss) for the year attributable to ordinary equity holders of the Parent.	3	(3.36)	4.81
Diluted profit/(loss) for the year attributable to ordinary equity holders of the Parent.	3	(3.36)	4.74
<b>Earnings per share</b>			
Basic loss for the year attributable to ordinary equity holders of the Parent.	3	(3.36)	(8.86)
Diluted loss for the year attributable to ordinary equity holders of the Parent.	3	(3.36)	(8.93)

*The above statement of comprehensive income should be read in conjunction with the accompanying notes.*

## Interim Consolidated Statement of Financial Position

AS AT 31 DECEMBER 2025

	Notes	CONSOLIDATED	
		December 2025 \$	June 2025 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		6,739,001	11,576,555
Trade receivables and contract assets	6	15,148,802	14,573,180
Inventories		3,064,470	3,579,403
Other assets		864,966	1,038,769
Current income tax receivable		426,385	-
<b>Total current assets</b>		<b>26,243,623</b>	<b>30,767,907</b>
<b>Non-current assets</b>			
Long-term cash deposit		91,667	91,667
Non-current prepayments		27,406	22,105
Financial asset at FVTPL	8	31,360,087	30,831,612
Plant and equipment		546,812	508,849
Goodwill and intangible assets		48,202	29,455
Right-of-use asset		1,057,025	1,201,166
<b>Total non-current assets</b>		<b>33,131,199</b>	<b>32,684,854</b>
<b>TOTAL ASSETS</b>		<b>59,374,823</b>	<b>63,452,761</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		1,928,811	1,342,253
Current income tax payable		-	73,337
Contract liabilities	7	3,607,500	5,618,484
Interest-bearing liabilities	9	2,858,386	2,778,341
Lease liabilities		270,415	256,455
Provisions		1,935,390	1,935,042
<b>Total current liabilities</b>		<b>10,600,502</b>	<b>12,003,912</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		174,629	189,410
Provisions		87,366	72,896
Contract liabilities	7	3,781,734	3,471,541
Lease liabilities		863,738	1,005,089
<b>Total non-current liabilities</b>		<b>4,907,467</b>	<b>4,738,936</b>
<b>TOTAL LIABILITIES</b>		<b>15,507,971</b>	<b>16,742,848</b>
<b>NET ASSETS</b>		<b>43,866,852</b>	<b>46,709,913</b>
<b>EQUITY</b>			
<b>Equity attributable to equity holders of the parent</b>			
Contributed equity	10	113,472,321	115,356,527
Accumulated losses		(82,507,516)	(81,950,835)
Employee benefits reserve		5,602,493	5,519,713
Other reserves		2,601,248	2,166,464
Foreign currency translation reserve		953,243	954,353
<b>Equity attributable to owners of the parent</b>		<b>40,121,789</b>	<b>42,046,223</b>
Non-controlling interests	12	3,745,063	4,663,690
<b>TOTAL EQUITY</b>		<b>43,866,852</b>	<b>46,709,913</b>

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

# Interim Consolidated Statement of Cash Flows

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Notes	CONSOLIDATED	
		December 2025	December 2024
		\$	\$
<b>Cash flows from operating activities</b>			
Receipts from customers		6,123,068	15,361,337
Payments to suppliers and employees		(8,892,980)	(17,907,182)
Income tax paid		(369,715)	(15,644)
Interest received		166,315	108,061
<b>Net cash flows from/(used in) operating activities</b>		<b>(2,973,311)</b>	<b>(2,453,428)</b>
<b>Cash flows from investing activities</b>			
Purchase of plant and equipment		(155,680)	(280,366)
Purchase of other intangibles		(30,715)	(20,054)
Proceeds from sale of subsidiary	6	700,305	-
<b>Net cash flows from/(used in) investing activities</b>		<b>513,910</b>	<b>(300,420)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issued capital		-	31,431
Return of capital	10	(2,002,181)	-
Capital management transaction costs	10	(61,968)	(85,000)
Proceeds from interest bearing liabilities		-	2,070,356
Repayment of interest bearing liabilities		(142,041)	-
Payment of interest on lease liability		(43,461)	(42,614)
Payment of principal portion of lease liability		(127,390)	(128,358)
<b>Net cash flows from/(used in) financing activities</b>		<b>(2,377,041)</b>	<b>1,845,815</b>
Net decrease in cash and cash equivalents		(4,836,443)	(908,033)
Net foreign exchange differences		(1,111)	287,489
Cash and cash equivalents at beginning of the period		11,576,555	9,421,235
<b>Cash and cash equivalents at period end</b>		<b>6,739,001</b>	<b>8,800,691</b>

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

## Interim Consolidated Statement of Changes in Equity

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Attributable to equity holders of Senetas Corporation Limited					Owners of the parent	Non-controlling interest	Total equity
	Contributed equity	Accumulated (losses) / profits	Foreign currency translation reserve	Employee benefits reserve	Other reserves	Total		
CONSOLIDATED	\$	\$	\$	\$	\$	\$	\$	\$
<b>At 1 July 2024</b>	<b>113,443,783</b>	<b>(109,773,425)</b>	<b>394,902</b>	<b>5,428,577</b>	<b>1,936,119</b>	<b>11,429,956</b>	<b>(13,025,394)</b>	<b>(1,595,438)</b>
Loss for the year	-	(1,392,508)	-	-	-	(1,392,508)	(2,418,246)	(3,810,754)
Other comprehensive income	-	-	(525,690)	-	-	(525,690)	(355,270)	(880,960)
<b>Total comprehensive income</b>	<b>-</b>	<b>(1,392,508)</b>	<b>(525,690)</b>	<b>-</b>	<b>-</b>	<b>(1,918,199)</b>	<b>(2,773,515)</b>	<b>(4,691,714)</b>
<b>Transactions with owners in their capacity as owners</b>								
Proceeds from issued capital	31,431	-	-	-	-	31,431	-	31,431
Transaction costs	(85,000)	-	-	-	-	(85,000)	-	(85,000)
Acquisition of non-controlling interests	-	-	-	-	230,343	230,343	(230,343)	-
Options converted to shares	-	-	-	-	-	-	2,640	2,640
Share based payments expense	-	-	-	197,083	-	197,083	116,188	313,271
<b>At 31 December 2024</b>	<b>113,390,214</b>	<b>(111,165,933)</b>	<b>(130,787)</b>	<b>5,625,660</b>	<b>2,166,462</b>	<b>9,885,616</b>	<b>(15,910,423)</b>	<b>(6,024,807)</b>
	\$	\$	\$	\$	\$	\$	\$	\$
<b>At 1 July 2025</b>	<b>115,356,527</b>	<b>(81,950,835)</b>	<b>954,353</b>	<b>5,519,713</b>	<b>2,166,464</b>	<b>42,046,223</b>	<b>4,663,690</b>	<b>46,709,913</b>
Loss for the year	-	(556,681)	-	-	-	(556,681)	(518,730)	(1,075,411)
Other comprehensive income	-	-	(1,110)	-	-	(1,110)	-	(1,110)
<b>Total Comprehensive Income</b>	<b>-</b>	<b>(556,681)</b>	<b>(1,110)</b>	<b>-</b>	<b>-</b>	<b>(557,791)</b>	<b>(518,730)</b>	<b>(1,076,521)</b>
<b>Transactions with owners in their capacity as owners</b>								
Return of Capital	(2,002,181)	-	-	-	-	(2,002,181)	-	(2,002,181)
Transaction costs	65,775	-	-	-	-	65,775	-	65,775
Acquisition of non-controlling interests	-	-	-	-	434,783	434,783	(434,783)	-
Options converted to shares	52,200	-	-	(52,200)	-	-	-	-
Share based payments expense	-	-	-	134,980	-	134,980	34,886	169,866
<b>At 31 December 2025</b>	<b>113,472,321</b>	<b>(82,507,516)</b>	<b>953,243</b>	<b>5,602,493</b>	<b>2,601,248</b>	<b>40,121,789</b>	<b>3,745,063</b>	<b>43,866,852</b>

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

# Notes to the Interim Financial Report

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

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# Notes to the Interim Financial Report

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

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## ABOUT THIS REPORT

The interim consolidated financial report of Senetas Corporation Limited and its subsidiaries (collectively, the "Group") for the six months ended 31 December 2025 were authorised for issue in accordance with a resolution of directors on 27 February 2026.

Senetas Corporation Limited (the Company or the Parent) is a company limited by shares, incorporated and domiciled in Australia, whose shares are publicly traded on the Australian Securities Exchange. The Company is a for-profit entity.

The nature of the operations and principal activities of the Group are described in the Directors' report. The registered office of Senetas Corporation Limited is at 312 Kings Way, South Melbourne, Victoria 3205, Australia.

## BASIS OF PREPARATION

The interim consolidated financial report has been prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting* issued by the Australian Accounting Standards Board (AASB). The interim consolidated financial report does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial report as at 30 June 2025.

The interim consolidated financial report has been prepared on an historical cost basis except for contingent consideration and investment securities that have been measured at fair value.

The interim consolidated financial report is presented in Australian dollars and all values are rounded to the nearest dollar, unless otherwise stated.

## MATERIAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim consolidated financial report are consistent with those followed in the preparation of the Group's annual report for the year ended 30 June 2025.

## SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the interim consolidated financial report requires management to make judgements, estimates and assumptions that affect reported amounts in the interim financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements and estimates on historical experience and on other various factors it believes to be reasonable under the circumstances, the result of which forms the basis of the carrying values of these assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions.

In preparing the interim consolidated financial report, management applied the same significant estimates, judgements and assumptions as in the most recent annual report as of 30 June 2025.

# Notes to the Interim Financial Report (continued)

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

### FINANCIAL PERFORMANCE SECTION

#### 1 REVENUE FROM CONTRACTS WITH CUSTOMERS

##### (a) Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers

	Notes	CONSOLIDATED	
		December 2025	December 2024
		\$	\$
Sale of goods		5,131,054	4,228,981
Product maintenance and subscription revenue		4,344,661	5,302,351
<b>Total revenue from contracts with customers</b>		<b>9,475,715</b>	<b>9,531,332</b>
<b>Geographical markets</b>			
Asia Pacific		2,176,155	1,525,110
United States		3,216,643	4,927,959
Europe		4,082,917	3,078,263
<b>Total revenue from contracts with customers</b>		<b>9,475,715</b>	<b>9,531,332</b>
<b>Timing of revenue recognition</b>			
Goods transferred at a point in time		5,131,054	4,228,981
Services transferred over time		4,344,661	5,302,351
<b>Total revenue from contracts with customers</b>		<b>9,475,715</b>	<b>9,531,332</b>
The aggregate amount of transaction prices (i.e. unrecognised revenue) allocated to incomplete performance obligations, at the reporting date, is as follows:			
Product maintenance and subscription revenue		7,389,233	9,321,108
<b>Total</b>		<b>7,389,233</b>	<b>9,321,108</b>
Of the aggregate amount of transaction prices (i.e. unrecognised revenue) allocated to incomplete performance obligations, at the reporting date the following amounts are expected to be recognised.			
Product maintenance and subscription revenue expected to be recognised within:			
One (1) year of the reporting date		3,607,500	5,012,115
Two (2) years from the reporting date		1,851,767	2,092,774
Three (3) years from the reporting date		921,928	1,345,323
Between four (4) and five (5) years		1,008,038	870,896
<b>Total</b>		<b>7,389,233</b>	<b>9,321,108</b>

# Notes to the Interim Financial Report (continued)

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

## 2 EXPENSES

	CONSOLIDATED	
	December 2025	December 2024
Notes	\$	\$
<b>(a) Employee benefits expense</b>		
Salaries & wages	4,036,064	4,056,004
Superannuation	313,421	307,050
Termination payouts	-	37,438
Share based payment expense	169,866	52,441
<b>Total</b>	<b>4,519,351</b>	<b>4,452,933</b>
<b>(b) Depreciation and amortisation expense</b>		
Depreciation:		
Plant and equipment	114,358	125,677
Leasehold improvements	3,360	5,599
Right-of-use asset	144,140	142,918
Amortisation:		
Software	11,968	16,311
<b>Total</b>	<b>273,826</b>	<b>290,505</b>
<b>(c) Administration expenses</b>		
Premises costs	138,715	124,069
Travel expenditure	470,985	221,856
Telephone and internet expenditure	82,732	83,341
Insurance expenditure	325,699	327,157
Marketing expenditure	235,774	281,852
External contractors -sales and corporate	1,201,926	975,270
<b>Total</b>	<b>2,455,831</b>	<b>2,013,545</b>
<b>(d) Professional fees</b>		
Certification, testing and direct R&D expenditure	392,031	164,205
Legal fees	30,039	300,332
Professional services	332,069	369,663
<b>Total</b>	<b>754,138</b>	<b>834,200</b>
<b>(e) Other expenses</b>		
Subscriptions and membership fees	177,108	170,868
Other expenses	9,091	39,429
<b>Total</b>	<b>186,199</b>	<b>210,297</b>
<b>(f) Other gains/(losses) - net</b>		
Net fair value gains/(losses) on financial instruments at FVTPL	528,475	-
Net foreign exchange gains/(losses)	(482,306)	19,444
<b>Total</b>	<b>46,169</b>	<b>19,444</b>
<b>(g) Finance costs</b>		
Bank fees and interest expense	229,184	235,801
Interest expense on lease liabilities	43,460	42,613
<b>Total</b>	<b>272,644</b>	<b>278,414</b>

# Notes to the Interim Financial Report (continued)

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

### 3 EARNINGS PER SHARE

	CONSOLIDATED	
	December 2025 Cents	December 2024 Cents
<b>(a) Basic earnings per share</b>		
From continuing operations attributable to the owners of the parent	(3.36)	4.81
From discontinued operations	-	(13.67)
<b>Total basic earnings per share attributable to the owners of the parent</b>	<b>(3.36)</b>	<b>(8.86)</b>
<b>(b) Diluted earnings per share</b>		
From continuing operations attributable to the owners of the parent	(3.36)	4.74
From discontinued operations	-	(13.67)
<b>Total diluted earnings per share attributable to the owners of the parent</b>	<b>(3.36)</b>	<b>(8.93)</b>
<b>(c) Reconciliation of earnings used in calculating earnings per share</b>		
<i>Basic earnings per share</i>		
Profit/(loss) from continuing operations as presented in the statement of comprehensive income	(1,075,411)	63,386
Less: Profit/(loss) from continuing operations attributable to non-controlling interest	518,730	692,165
Profit/(loss) from continuing operations attributable to the owners of the parent	<b>(556,681)</b>	<b>755,551</b>
Profit/(loss) from discontinued operations	-	(3,874,140)
Less: Profit/(loss) from discontinued operations attributable to non-controlling interest	-	1,726,080
Profit/(loss) attributable to owners of the parent used in calculating basic earnings per share	<b>(556,681)</b>	<b>(1,392,509)</b>

# Notes to the Interim Financial Report (continued)

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

## 3 EARNINGS PER SHARE (continued)

	CONSOLIDATED	
	December 2025	December 2024
	\$	\$
<i>Diluted earnings per share</i>		
Profit/(loss) from continuing operations attributable to the owners of the parent		
Used in calculating the basic earnings per share	(556,681)	755,551
Used in calculating the diluted earnings per share	<b>(556,681)</b>	<b>755,551</b>
Loss from discontinued operations		
Used in calculating the basic earnings per share	-	(2,148,059)
Profit/(loss) attributable to owners of the parent used in calculating diluted earnings per share	<b>(556,681)</b>	<b>(1,392,508)</b>

### (d) Weighted average number of shares used as the denominator

	No. of shares	No. of shares
Weighted average number of ordinary shares for basic earnings per share	16,567,136	15,714,839
<i>Effect of dilution:</i>	-	225,734
<b>Adjusted weighted average number of ordinary shares for diluted profit per share</b>	<b>16,567,136</b>	<b>15,940,572</b>

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of the authorisation of these financial statements.

## 4 DISTRIBUTIONS MADE AND PROPOSED

	CONSOLIDATED	
	December 2025	December 2024
	\$	\$
<b>(a) Cash distributions on ordinary shares declared and paid:</b>		
Capital return for 2025 (\$0.00120772 per share)	2,002,181	-
	<b>2,002,181</b>	<b>-</b>

The return of capital relating to the financial reporting period ended 30 June 2025 was approved by the shareholders on 14 November 2025.

The record date for the capital return was 20 November 2025 and the payment date was 27 November 2025.

# Notes to the Interim Financial Report (continued)

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

### 5 SEGMENT INFORMATION

#### Basis of segment identification

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Senetas's chief operating decision maker is the Chief Executive Officer (CEO). The CEO provides strategic direction and management oversight of the day to day activities of the Group in terms of monitoring results and approving strategic planning. Operating segments have been identified based on the information provided to the CEO.

The Group's reportable segments consist of the product division (Senetas) and the investment entity (VGM Aust Holdings Pty Ltd). The operating subsidiaries of VGM, which formerly comprised the solutions technology division, were disposed of during FY25. VGM's primary activities have now transitioned to the management of its investment in Menlo Security Inc and the associated residual interest-bearing liabilities. Given that the Menlo investment exceeds the 10% threshold for total combined segment assets, VGM will continue to be recognised as a distinct reportable segment. In accordance with the master distribution agreement and other direct customers, both product sales and maintenance services are inter-related and reported as one (1) product division reportable segment.

The following tables present the revenue and profit information regarding reportable segments for the half-years ended 31 December:

Half-year ended 31 December 2025	Senetas	VGM	Total
	\$	\$	\$
<i>Segment revenue - Revenue from contracts with customers</i>			
Sale of goods	5,131,054	-	5,131,054
Product maintenance and subscription revenue	4,344,662	-	4,344,661
<b>Total Segment revenue</b>	<b>9,475,716</b>	<b>-</b>	<b>9,475,715</b>

	Senetas	VGM	Eliminations <sup>(i)</sup>	Total
	\$	\$	\$	\$
<i>Result</i>				
Segment profit/(loss) before tax	1,818,631	(1,226,310)	(1,684,774)	(1,092,454)
Income tax (expense) /benefit	17,043	-	-	17,043
<b>Segment profit/(loss) after tax from continuing operations</b>	<b>1,835,674</b>	<b>(1,226,310)</b>	<b>(1,684,774)</b>	<b>(1,075,411)</b>
<i>Income / (expenses)</i>				
Depreciation and amortisation	(273,826)	-	-	(273,826)
Reversal of impairment of investment	1,684,774	-	-	1,684,774
Fair value gain/(loss) on financial instruments at FVTPL	-	528,475	-	528,475
Share based payments expense	(87,392)	(82,474)	-	(169,866)

(i) The eliminations include the investment in subsidiary and loans with subsidiary

# Notes to the Interim Financial Report (continued)

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

### 5 SEGMENT INFORMATION (CONTINUED)

Half-year ended 31 December 2025	Senetas \$	VGM \$	Eliminations <sup>(i)</sup> \$	Total \$
Non-current assets	21,245,727	31,360,087	(19,474,615)	33,131,199
Total assets	51,344,619	39,068,355	(31,038,151)	59,374,823
Total liabilities	(12,602,272)	(14,469,235)	11,563,538	(15,507,971)
Net assets	38,742,347	24,599,120	(19,474,615)	43,866,852
<i>Cashflows</i>				
Operating activities	(2,847,887)	(125,425)	-	(2,973,311)
Investing activities	(186,395)	700,305	-	513,910
Financing activities	(1,684,616)	(692,425)	-	(2,377,041)

(i) The eliminations include the investment in subsidiary and loans with subsidiary

Half-year ended 31 December 2024	Senetas \$	VGM \$	Total \$
<i>Segment revenue - Revenue from contracts with customers</i>			
Sale of goods	4,228,981	-	4,228,981
Product maintenance and subscription revenue	5,302,351	-	5,302,351
Total Segment revenue	<b>9,531,332</b>	-	<b>9,531,332</b>

Half-year ended 31 December 2024	Senetas \$	VGM \$	Eliminations <sup>(i)</sup> \$	Total \$
<i>Result</i>				
Segment profit/(loss) before tax	1,867,890	(1,555,459)	-	312,431
Income tax expense / (benefit)	(249,045)	-	-	(249,045)
<b>Segment profit/(loss) after tax from continuing operations</b>	<b>1,618,845</b>	<b>(1,555,459)</b>	-	<b>63,386</b>
<i>Income / (expenses)</i>				
Depreciation and amortisation	(290,505)	-	-	(290,505)
Share based payments expense	(52,441)	-	-	(52,441)
Non-current assets	27,844,368	4,801,365	(25,705,896)	6,939,837
Total assets	58,956,693	13,269,502	(38,406,102)	33,820,091
Total liabilities	(15,865,828)	(36,679,278)	12,700,208	(39,844,898)
Net assets	43,090,865	(23,409,776)	(25,705,894)	(6,024,807)
<i>Cashflows</i>				
Operating activities	(981,503)	(1,471,926)	-	(2,453,429)
Investing activities	(295,100)	(5,322)	-	(300,422)
Financing activities	(2,895,917)	4,741,734	-	1,845,817

(i) The eliminations include the investment in subsidiary and loans with subsidiary

# Notes to the Interim Financial Report (continued)

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

### 5 SEGMENT INFORMATION (CONTINUED)

Revenue is attributed to geographic regions based on the location of the customers. The company does not have external revenues from any external customers that are attributable to any foreign country other than as shown below.

31 December 2025	Senetas	VGM	Total
	\$	\$	\$
Asia Pacific	2,176,155	-	2,176,155
United States	3,216,643	-	3,216,643
Europe	4,082,917	-	4,082,917
<b>Total</b>	<b>9,475,715</b>	<b>-</b>	<b>9,475,715</b>

31 December 2024	Senetas	VGM	Total
	\$	\$	\$
Asia Pacific	1,525,110	-	1,525,110
United States	4,927,959	-	4,927,959
Europe	3,078,263	-	3,078,263
<b>Total</b>	<b>9,531,332</b>	<b>-</b>	<b>9,531,332</b>

Revenue from one customer - the Company's global distribution partner, Thales - amounted to \$8,000,402 (2024: \$8,543,706) arising from the above mentioned geographical areas.

# Notes to the Interim Financial Report (continued)

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

## WORKING CAPITAL SECTION

### 6 TRADE RECEIVABLES AND CONTRACT ASSETS

	Notes	CONSOLIDATED	
		December 2025	June 2025
		\$	\$
Trade receivables <sup>(i)</sup>		4,811,091	2,699,747
Contract asset		3,591,762	3,924,189
Consideration receivable <sup>(ii)</sup>		6,745,948	7,845,218
Net GST receivable		-	104,026
<b>Total</b>		<b>15,148,802</b>	<b>14,573,179</b>

(i) The fair value of trade receivables is equivalent to its carrying amounts. It is expected that the full contractual amounts can be collected. AASB 9 requires a calculation of the expected credit losses (ECL's). The Group's evaluation of this requirement has determined that an allowance for credit losses is negligible.

The Group holds no collateral against possible default by a customer. There were no receivables written off during the period.

(ii) This balance is the cash proceeds expected to be received before the end of FY26 from Menlo Security Inc. with respect to the holdback amounts. The earnout portion of A\$700,305 was received during HY26.

### 7 CONTRACT LIABILITY

	Notes	CONSOLIDATED	
		December 2025	June 2025
		\$	\$
<b>(a) Contract liability Reconciliation</b>			
Opening balance as at 1 July		9,090,025	9,787,294
Maintenance prepayments received during the period		2,643,870	9,014,157
Maintenance revenue recognised during the period		(4,344,661)	(9,711,426)
<b>Closing balance</b>		<b>7,389,234</b>	<b>9,090,025</b>
Current contract liabilities		3,607,500	5,618,484
Non-current contract liabilities		3,781,734	3,471,541
<b>Total</b>		<b>7,389,234</b>	<b>9,090,025</b>

# Notes to the Financial Statements (continued)

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

## FINANCIAL ASSETS AND LIABILITIES

	CONSOLIDATED	
	December 2025	June 2025
	\$	\$
<b>8 FINANCIAL ASSETS AT FVTPL</b>		
Unquoted investment securities at FVTPL	31,360,087	30,831,612
<b>Closing balance</b>	<b>31,360,087</b>	<b>30,831,612</b>

The Group has investments in the entities shown in the table below

	Equity Interest	
	%	%
DeepRadiology Inc	3.45%	3.45%
Smart Antenna Technologies Ltd	5.76%	5.76%
EonReality Inc.	3.11%	3.11%
Menlo Security Inc <sup>(1)</sup>	1.66%	1.66%

<sup>(1)</sup> VGM Aust Holdings Pty Ltd holds a 1.7% interest in Menlo Security Inc. of which 1% is attributable to Senetas based on its ownership interest in VGM.

The fair value of the above investments are categories as Level 3 on the basis that the shares in these entities are not listed on an exchange and there were no recent observable arm's length transactions in the shares. With the exception of Menlo Security Inc. each of these investments have a net carrying amount of zero. Refer to note 12 for further details on the fair value measurement inputs.

	CONSOLIDATED	
	December 2025	June 2025
	\$	\$
<b>9 INTEREST BEARING LIABILITIES</b>		
<i>Current</i>		
Interest-bearing loan	2,858,386	2,778,341
<b>Closing balance</b>	<b>2,858,386</b>	<b>2,778,341</b>

(i) VGM Aust Holdings Pty Ltd (formerly Votiro Cybersec Global Pty Ltd) has a loan agreement with Harvest Lane Asset Management Pty Ltd (Harvest Lane). The loan attracted an interest rate of 15% per annum with the accrued unpaid interest capitalised and added to the principal outstanding.

# Notes to the Interim Financial Report (continued)

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

### CAPITAL AND FINANCIAL RISK MANAGEMENT

#### 10 CONTRIBUTED EQUITY

Ordinary shares	CONSOLIDATED	
	December 2025	June 2025
	\$	\$
<b>Issued and paid-up capital</b>		
Ordinary shares each fully paid	<b>113,472,321</b>	<b>115,356,527</b>

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

#### Movements in ordinary shares on issue

	December 2025		June 2025	
	Number of shares	\$	Number of shares	\$
Beginning of the financial year	1,656,019,083	115,356,527	1,571,283,365	113,443,783
Capital Raise, net of transaction costs <sup>1</sup>	-	-	84,235,718	1,902,244
Performance rights converted to shares	1,800,000	52,200	500,000	10,500
Return of Capital <sup>2</sup>	-	(2,002,181)	-	-
Share consolidation <sup>3</sup>	(1,641,241,694)	-	-	-
Capital management transaction costs	-	65,775	-	-
<b>End of the financial year</b>	<b>16,577,389</b>	<b>113,472,321</b>	<b>1,656,019,083</b>	<b>115,356,527</b>

<sup>1</sup> In December 2023, Senetas Corporation Limited completed a share placement at \$1.5 million and a \$3.5 million rights offer, incurring transaction costs of \$683,415. During FY25, the options attached to both the share placement and rights offer were exercised, raising an additional \$2,101,356. Transaction costs associated with the exercise of these options during FY25 totalled \$199,112.

<sup>2</sup> Senetas Corporation Limited completed a return of capital relating to the reporting period ended 30 June 2025 after seeking shareholder approval on 14 November 2025. The record date for the capital return was 20 November 2025 and the payment date was 27 November 2025.

<sup>3</sup> In December 2025, Senetas Corporation Limited completed a 100:1 share consolidation, being the consolidation of every 100 fully paid ordinary shares in the Company into 1 fully paid ordinary share held on the record date on 1 December 2025, rounded to the nearest whole number of shares, and equity securities (including options) on issue be adjusted in accordance with ASX Listing Rules 7.21 and 7.22. Shareholder approval for the share consolidation was obtained at the Company's 2025 Annual General Meeting held on 14 November 2025.

#### Terms, conditions and movements of contributed equity

Ordinary shares are classified as equity. Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. Issued and paid up capital is classified as contributed equity and recognised at the fair value of the consideration received by the entity. Incremental costs directly attributable to the issue of new shares or options are shown in contributed equity as a deduction, net of tax, from the proceeds.

# Notes to the Interim Financial Report (continued)

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

## 11 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Group has various financial instruments such as investment securities, cash in hand, trade debtors, trade payables. AASB 13 requires disclosure of fair value measurements using a three-level fair value hierarchy.

The level within which the fair value measurement is categorised in its entirety is determined on the basis of the

- Level 1 — The fair value of financial instruments traded in active markets is based on quoted market prices at the
  - Level 2 — The fair value of financial instruments that are not traded in an active market is determined using
  - Level 3 — If one or more of the significant inputs is not based on observable market data, the instrument is
- The level in which instruments are classified in the hierarchy is based on the lowest level input that is significant to

	Quoted price in active market	Significant observable inputs	Significant unobservable inputs
<b>31 December 2025</b>			
<i>Financial assets</i>			
Consideration receivable (Note 6)	-	-	6,745,948
Financial asset at FVTPL (Note 8)	-	-	31,360,087
<b>30 June 2025</b>			
<i>Financial assets</i>			
Consideration receivable (Note 6)	-	-	7,845,218
Financial asset at FVTPL (Note 8)	-	-	30,831,612

The investment in unquoted securities is categorised within level 3 of the fair value hierarchy due to the significant unobservable inputs used in deriving the fair value. There were no transfers between the fair value hierarchy levels.

### Description of significant unobservable inputs to valuation

The significant unobservable inputs used in the fair value measurements categorised within Level 3 of the fair

	Valuation technique	Significant unobservable inputs	Range	Sensitivity of the input to fair value
Unlisted equity securities	Revenue multiple	Revenue forecast considering both the trailing revenues	US\$130.5m (A\$194.8m)	The fair value measurement was determined by applying the mid-point range of the revenue multiple and the illiquidity discount to the trailing revenues given this resulted in the highest correlation between the revenues and valuation multiples for US-listed peer companies. Applying the lower end of the range for the revenue multiple and illiquidity discount to the trailing revenues would result in the fair value decreasing by \$1,792,005 and a decrease to the impairment reversal of Senetas's investment in VGM by \$1,112,835. Applying the upper end of the range for the revenue multiple and illiquidity discount to the trailing revenues would result in the fair value increasing by \$1,792,005 and an increase to the impairment reversal of Senetas's investment in VGM by \$1,112,835.
		Revenue multiples based on peer company analysis taking into consideration revenue correlations between revenue multiples and revenue growth	10x - 11x	
		Illiquidity discount based on the Finnerty Put Option approach	10.4% to 12.7%	
Consideration receivable	Share Purchase Agreement contract amounts	Expected renewal of the holdback contracts specified in the Share Purchase Agreement	N/a	The fair value of the consideration receivable is determined by reference to the actual holdback amounts specified in the Share Purchase Agreement for 2 material contracts expected to renew during FY26.

# Notes to the Interim Financial Report (continued)

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

### 11 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

#### *Valuation processes*

The group engages an independent valuer to assist in determining the fair value of financial instruments classified within the Level 3 hierarchy, ensuring that valuation reflects appropriate market assumptions and methodologies.

#### *Sensitivity analysis*

While the foreign exchange rate is a transaction mechanism rather than a significant unobservable input for this Level 3 valuation, the resulting AUD-equivalent fair value remains sensitive to currency fluctuations.

	<b>AUD equivalent</b>		
	Spot Rate	Spot Rate	Spot Rate
<b>31 December 2025</b>	HY26 Spot Rate (0.669641)	Increase by 5%	Decrease by 5%
Fair value of Financial Asset at FVTPL	31,360,087	29,866,749	33,010,618
Consideration receivable	6,745,948	6,424,713	7,100,998
<i>Impact on fair value</i>		<i>(1,814,573)</i>	<i>2,005,581</i>

# Notes to the Interim Financial Report (continued)

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

## GROUP STRUCTURE

### 12 MATERIAL PARTLY-OWNED SUBSIDIARIES

#### (a) Material subsidiaries

Financial information of a subsidiary that has material non-controlling interests is provided below:

Proportion of equity interest held by non-controlling interests: Name	December 2025 \$	June 2025 \$
VGM Aust Holdings Pty Ltd	37.9%	44.1%
Accumulated balances of material non-controlling interest	3,745,063	4,663,690
Loss allocation to material non-controlling interest	(518,730)	17,451,552

Refer to note 12(c) for a summary of the transactions with non-controlling interest

#### (b) Non-controlling interests (NCI)

Summarised statement of profit or loss for the half-year ended 31 December:

	December 2025 \$	December 2024 \$
<b>Continuing operations</b>		
Administrative expenses	(671,720)	(502,608)
Fair value gain/(loss) on investment in securities	528,475	-
Finance costs	(1,083,066)	(1,052,851)
<b>Loss before tax from continuing operations</b>	<b>(1,226,311)</b>	<b>(1,555,459)</b>
Income tax	-	-
<b>Loss for the period from continuing operations</b>	<b>(1,226,311)</b>	<b>(1,555,459)</b>
<b>Discontinued operations</b>		
Profit/(loss) from discontinued operations	-	<b>(3,874,140)</b>
<b>Profit/(loss) for the period</b>	<b>(1,226,311)</b>	<b>(5,429,599)</b>
Attributable to non-controlling interest	(518,730)	(2,418,246)

	December 2025 \$	June 2025 \$
<b>Summarised statement of financial position before elimination entries:</b>		
Cash and cash equivalents	778,558	896,103
Trade receivables and other current assets	183,762	213,369
Consideration receivable	6,745,948	7,845,218
Investment securities	31,360,087	30,831,612
Trade and other current liabilities	(47,310)	(11,096)
Interest bearing liabilities	(14,421,925)	(14,032,249)
<b>Total equity</b>	<b>24,599,120</b>	<b>25,742,956</b>
Attributable to:		
Equity holders of parent	20,854,057	21,079,266
Non-controlling interest	3,745,063	4,663,690

	December 2025 \$	December 2024 \$
<b>Summarised cash flow information for the half-year ended 31 December:</b>		
Operating	(125,425)	(1,471,926)
Investing	700,305	(5,322)
Financing	(692,425)	4,741,734
<b>Net decrease in cash and cash equivalents</b>	<b>(117,545)</b>	<b>3,264,486</b>

# Notes to the Interim Financial Report (continued)

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

### 12 MATERIAL PARTLY-OWNED SUBSIDIARIES (CONTINUED)

#### (c) Transactions with non-controlling interests

Following the disposal of VGM's operating subsidiaries, all fully vested options outstanding at the transaction date carried an expiry of 31 December 2025. The expiration of these unexercised options led to a 4.4% decrease in the non-controlling interest of VGM, resulting in a revised holding of 37.9% as at 31 December 2025.

Immediately prior to these transactions, the carrying amount of the existing non-controlling interest in Votiro was determined in order to calculate the proportion of change to the non-controlling interest. The combined impact of these transactions resulted in the Group recognising an increase in the equity attributable to owners of the parent of \$468,123 and a decrease in non-controlling interests of \$468,123.

	December 2025	June 2025
	\$	\$
Carrying amount of non-controlling interest acquired	434,783	-
Consideration paid to non-controlling interests	-	-
Excess of consideration paid recognised in other reserves within equity	<b>434,783</b>	-

### 13 DISCONTINUED OPERATIONS

#### (a) Description

On 20 February 2025, Senetas announced that the Board of VGM Aust Holdings Pty Ltd (formerly Votiro Cybersec Global Pty Ltd), had approved a definitive share purchase agreement to sell its operational subsidiaries to Menlo Security Inc. (Menlo), a privately held cybersecurity company. The transaction was completed effective 18 February 2025. While there were no new discontinued operations during the half-year ended 31 December 2025, the comparative financial information for the prior corresponding period has been re-presented in accordance with AASB 5 to disclose the results of the discontinued operations separately from continuing operations.

#### (b) Financial performance and cash flow information

	December 2025	December 2024
	\$	\$
<b>Summarised statement of profit or loss for the period ended 31 December:</b>		
Revenue	-	6,864,705
Expenses	-	(10,723,202)
<b>Loss before tax</b>	-	<b>(3,858,497)</b>
Income tax	-	(15,644)
<b>Profit/(loss) from discontinued operations</b>	<b>-</b>	<b>(3,874,140)</b>
<b>Summarised cash flow information for the period ended 31 December:</b>		
Operating	-	(1,083,203)
Investing	-	(5,322)
Financing	-	4,422,502
	<b>-</b>	<b>3,333,977</b>

# Notes to the Interim Financial Report (continued)

## FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

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### OTHER INFORMATION

#### 14 CONTINGENT ASSETS AND LIABILITIES

The Group is not aware of the existence of any contingent assets or liabilities at balance date.

#### 15 EVENTS SUBSEQUENT TO REPORTING DATE

In February 2026, Menlo Security Inc. initiated settlement of the Votiro holdback transaction consideration of approximately US\$4.3m (A\$6.0m). These funds are currently with the Israeli paying agent, with the net proceeds expected to be remitted to VGM Aust. Holdings Pty Ltd in March 2026 pending final clearance from the Israeli tax authorities.

# Directors' Declaration

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In accordance with a resolution of the Directors of Senetas Corporation Limited, I state that:

(1) In the opinion of the directors:

(a) the consolidated interim financial report and notes of Senetas Corporation Limited for the half-year ended 31 December 2025 are in accordance with the *Corporations Act 2001*, including:

(i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2025 and of its performance for the year ended on that date; and

(ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and *Corporations Regulations 2001*; and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

On behalf of the Board



Francis W. Galbally  
Chairman  
Melbourne  
Date: 27 February 2026

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## Independent Auditor's Review Report

### To the Members of Senetas Corporation Limited

#### Report on the half-year financial report

##### Conclusion

We have reviewed the accompanying half-year financial report of Senetas Corporation Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2025, and 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, including material accounting policy information, other selected explanatory notes, 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 accompanying half-year financial report of Senetas Corporation Limited does not comply 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 the *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.

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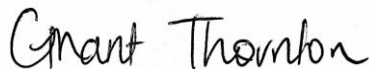
### **Directors' responsibility for the half-year financial report**

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards 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 gives a true and fair view and 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 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 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.



Grant Thornton Audit Pty Ltd  
Chartered Accountants



J D Vasiliou  
Partner – Audit & Assurance

Melbourne, 27 February 2026