

APPENDIX 4D

AUCyber Limited — ABN: 80 622 728 189

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

The information contained in this report is for the half-year ended 31 December 2025 and the previous corresponding period ended 31 December 2024 for AUCyber, the 'Company' and its controlled entities.

This report is presented in Australian dollars.

Results for Announcement to the Market

Results	HY26 \$	HY25 \$	Change %
Revenues from ordinary activities	9,256,714	12,348,508	(25%)
Loss from ordinary activities after tax attributable to members	(2,422,416)	(19,472,955)	(88%)
Net loss for the period attributable to members	(2,422,416)	(19,472,955)	(88%)

Dividend Information

	Amount per Share (cents)	Franked Amount per Share (cents)	Conduit Foreign Income Amount per Share (cents)
Interim dividend	-	-	-

Brief explanation to figures reported above

Refer to review of operations on page 3.

	31-Dec-25	31-Dec-24
Net tangible asset backing per ordinary security (cents)	2.5 cents	6.3 cents

Details of Entities which Control has been Gained or Lost during the Period

None.



AUCyber Limited

ABN: 80 622 728 189

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

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DIRECTORS REPORT

The Directors present their report together with the interim financial report of AUCyber Limited, the 'Company' and its controlled entities (together the "Group"), for the half-year ended 31 December 2025.

1. Directors

The names of the directors in office at any time during or since the end of the financial period year are:

- **Joseph Demase** (Chair)
- **Hugh Robertson** (Non-Executive Director)
- **Conrad Morgan** (Non-Executive Director)

The Directors have been in office since the start of the half year to the date of this report unless otherwise stated.

2. Principal Activities

The Group's principal activity is provision of Cloud Services, Cyber Security Solutions, Resale of Hardware and Software and Managed Services, supporting Australia's leading organisations and Government agencies. The Company specialises in delivering data and security solutions to enhance compliance and overall security.

No significant change in the nature of these activities occurred during the year.

3. Review and Results of Operations

Group Financial Results

For the half-year ended 31 December 2025 ("HY26"), AUCyber continued to progress the operational reset undertaken during FY25, with a clear focus on cost discipline, service margin improvement, and the stabilisation of its core sovereign cloud and cyber security operations.

The period reflects the first full half-year following the completion of major integration, restructuring and impairment activity in FY25. As a result, HY26 outcomes demonstrate a materially improved operating profile, notwithstanding a reduction in revenue compared with the prior corresponding period.

The Group recorded a net loss for the half-year ended 31 December 2025 (HY1 FY26) of \$2.4 million (HY1 FY25 - loss of \$19.5 million).

Throughout this report, the Group has included certain non-IFRS financial information, including underlying EBITDA (Earnings before interest, tax, depreciation and amortisation), which excludes the impact of impairment losses, gains on reversal of deferred consideration, acquisition costs and equity-settled share-based payments. This non-IFRS measure may provide useful information to recipients for measuring the earnings performance of the Group. Non-IFRS measures are unaudited.

DIRECTORS REPORT continued

Financial Performance

For the half-year, the Group recorded revenue and other income of \$9.3 million (HY25: \$12.3 million). The reduction in revenue primarily reflects the deliberate rationalisation of low-margin and non-core contracts implemented in FY25, as well as a more selective approach to customer engagement focused on service quality and sustainable margin.

Despite the lower revenue base, the Group delivered a significantly improved operating result. Loss after tax for HY26 was \$2.4 million, compared with a loss of \$19.5 million in the prior corresponding period. The improvement was driven by a substantially reduced cost base, lower depreciation and amortisation following FY25 impairments, and the absence of material non-recurring charges during the period.

The Group's operating cost base continued to improve, with total expenses benefiting from the structural changes implemented in FY25. This included a materially lower employee benefits expense of \$5.6 million (HY25: \$10.1 million) and reduced depreciation and amortisation of \$2.3 million (HY25: \$3.7 million), both reflecting the lasting impact of workforce realignment and the prior-year asset impairments.

Operating Review

Sovereign Cloud Services

AUCyber's sovereign cloud platform remained central to Group operations during HY26, continuing to support government and enterprise customers requiring secure, compliant infrastructure operating under Australian jurisdiction.

While cloud-related revenue was lower than the prior corresponding period, service delivery remained stable, supported by ISO 27001 certification and IRAP-assessed security controls. During the half-year, operational focus remained on reliability, security assurance and customer retention, rather than volume-driven growth.

Investment in platform resilience and operational efficiency continued at a measured pace, aligned to the Group's objective of maintaining a secure and sustainable sovereign cloud offering.

Cyber Security Services

Cyber security services continued to represent a core component of AUCyber's value proposition during HY26. Demand for managed security services remained steady, supported by ongoing customer requirements for threat detection, response, and endpoint protection.

The Group's Security Operations Centre ("SOC") continued to provide 24/7 monitoring and response capabilities, with further operational efficiencies achieved through automation and improved workflow management. The deployment of advanced endpoint protection and hardened Microsoft 365 environments remained embedded within the service offering, supporting customer security outcomes and long-term engagement.

DIRECTORS REPORT continued

Cost Management and Operating Discipline

HY26 reflects the ongoing benefits of the cost and operating discipline established in FY25. The Group maintained tight control over discretionary expenditure, with reductions across professional fees, marketing, travel and other operating costs compared with the prior corresponding period.

No impairment charges were recorded during the half-year (HY25: \$14.7 million), and the Group did not incur material restructuring costs, reflecting the completion of the major transformation phase in the prior year.

Cash Flow and Financial Position

For the half-year ended 31 December 2025, the Group recorded a net cash outflow from operating activities, reflecting the timing of payments across the period rather than a deterioration in underlying operating performance. Operating cash flows for HY26 were impacted by approximately \$1.5 million of accounts payable relating to the June 2025 quarter, which were settled in July. These payments would ordinarily have been reflected in the FY25 cash position and resulted in operating cash outflows being pushed into the first half of FY26. Excluding this timing effect, operating cash flows for the half-year were materially improved, reflecting tighter cost control and improved working capital management.

Across the six-month period, the Group continued to benefit from the operating discipline established in FY25, with lower operating payments and a reduced cost base supporting a more stable cash profile in the latter part of the half-year. No material restructuring or impairment-related cash outflows were incurred during HY26.

As at 31 December 2025, the Group held cash and cash equivalents of \$2.0 million, with no debt facilities drawn. The Group remains focused on liquidity management, internal cash generation and capital discipline, supported by the completion of major restructuring activities in the prior year and the continued simplification of its operating model.

Outlook

For the remainder of FY26, AUCyber will continue to prioritise:

- Operating discipline and service margin improvement
- Retention and expansion of core sovereign cloud and managed cyber security customers
- Ongoing optimisation of its cost base and service delivery model
- Maintaining a strong security, compliance and sovereignty posture for government and enterprise clients

The Board and management remain focused on delivering sustainable operating outcomes, building on the improved performance profile established during HY26.

DIRECTORS REPORT continued

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



Joseph Demase

Executive Chair

Dated: 27 February 2026

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

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2025 there have been:

- i. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- ii. no contraventions of any applicable code of professional conduct in relation to the review.

Bentleys.

Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants

Ashley Carle

Ashley Carle
Director
Brisbane
27 February 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Note	31 Dec 2025 \$	31 Dec 2024 \$
Revenue and other income			
Revenue from contracts with customers	3	9,245,192	12,149,481
Interest income	4	8,830	157,061
Other income	4	2,692	41,966
		9,256,714	12,348,508
Expenses			
Employee benefits expense		(5,599,091)	(10,067,118)
Licensing fees		(2,838,378)	(2,627,130)
Professional fees		(457,504)	(660,418)
Travel and conferences		(9,009)	(169,445)
Finance costs		(85,360)	(115,998)
Other expenses		(411,077)	(732,028)
Depreciation and amortisation		(2,278,711)	(3,650,219)
Impairment Loss		-	(14,746,993)
Gain on reversal of deferred consideration		-	947,886
		(11,679,130)	(31,821,463)
Loss before income tax expense		(2,422,416)	(19,472,955)
Income tax expense		-	-
Loss for the half year		(2,422,416)	(19,472,955)
Other comprehensive income for the half year		-	-
Total comprehensive loss		(2,422,416)	(19,472,955)
Earnings per share		Cents	Cents
Basic earnings / (loss) per share		(1.2)	(11.9)
Diluted earnings / (loss) per share		(1.2)	(11.9)

The accompany notes form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Note	31 Dec 2025 \$	30 Jun 2025 \$
Current assets			
Cash and cash equivalents	5	1,972,790	3,939,943
Receivables	6	2,660,455	3,271,307
Other assets	7	865,372	710,311
Total current assets		5,498,617	7,921,561
Non-current assets			
Property, plant and equipment	8	3,358,981	4,327,965
Intangible assets	9	196,707	374,957
Right of use lease assets	10	3,024,451	4,155,928
Other assets	7	3,690	9,226
Total non-current assets		6,583,829	8,868,076
Total assets		12,082,446	16,789,637
Current liabilities			
Payables	11	2,924,844	3,446,225
Lease liabilities	12	1,659,096	1,857,669
Provisions		-	677,686
Total current liabilities		4,583,940	5,981,580
Non-current liabilities			
Lease liabilities	12	2,034,620	2,866,686
Provisions		-	66,590
Total non-current liabilities		2,034,620	2,933,276
Total liabilities		6,618,560	8,914,856
Net assets		5,463,886	7,874,781
Equity			
Share capital	13	135,840,073	135,840,073
Reserves	14	1,025,812	1,014,291
Accumulated losses		(131,401,999)	(128,979,583)
Total equity		5,463,886	7,874,781

The accompany notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Share Capital \$	Reserves \$	Accumulated losses \$	Total Equity \$
Balance as at 1 July 2024	133,153,618	1,014,291	(91,423,949)	42,743,960
Loss for the half year	-	-	(19,472,955)	(19,472,955)
Transactions with owners in their capacity as owners:				
Costs of issuing equity	(4,674)	-	-	(4,674)
Share based payments expense	-	328,041	-	328,041
Balance as at 31 December 2024	133,148,944	1,342,332	(110,896,904)	23,594,372
Balance as at 1 July 2025	135,840,073	1,014,291	(128,979,583)	7,874,781
Loss for the half year	-	-	(2,422,416)	(2,422,416)
Transactions with owners in their capacity as owners:				
Costs of issuing equity	-	-	-	-
Share based payments expense	-	11,521	-	11,521
Balance as at 31 December 2025	135,840,073	1,025,812	(131,401,999)	5,463,886

The accompanying notes form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Note	31 Dec 2025 \$	31 Dec 2024 \$
Cash flow from operating activities			
Receipts from customers		12,149,816	17,746,487
Payments to suppliers and employees		(13,123,382)	(20,634,622)
Interest received		8,830	156,127
Right of use lease interest		(44,826)	(115,998)
Net cash provided by / (used in) operating activities		(1,009,562)	(2,848,006)
Cash flow from investing activities			
Proceeds/(payments) for acquisitions		(100,000)	806,387
Payments for property, plant and equipment		-	(357,739)
Net cash provided by / (used in) investing activities		(100,000)	448,648
Cash flow from financing activities			
Proceeds from share Issue		-	-
Principal portion of lease payments		(857,591)	(960,919)
Payment of share issue costs		-	(4,674)
Net cash provided by / (used in) financing activities		(857,591)	(965,593)
Reconciliation of cash			
Cash at beginning of the financial year		3,939,943	8,394,863
Net increase / (decrease) in cash held		(1,967,153)	(3,364,951)
Cash at end of financial year	5	1,972,790	5,029,912

The accompanying notes form part of these financial statements.

NOTES TO FINANCIAL STATEMENTS_{continued}

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

1. Statement of Significant Accounting Policies

This general purpose interim financial report for the half year ended 31 December 2025 has been prepared in accordance with *AASB 134 Interim Financial Reporting* and the *Corporations Act 2001*. The interim financial report does not include all information required for a full annual financial report and should be read in conjunction with the annual report of the Group for the year ended 30 June 2025 and any public announcements made by AUCyber Limited during the interim reporting period.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements, unless otherwise stated.

The financial report covers AUCyber Limited and its controlled entities (the Group). AUCyber Limited is a listed public company, incorporated and domiciled in Australia.

(a) Fair Values

The fair values of the Group's financial assets and financial liabilities approximate their carrying value due to being short-term in nature. No financial assets or financial liabilities are readily traded on organised markets in standardised form.

The financial report also complies with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

(b) Going Concern

The financial report has been prepared on a going concern basis, which contemplates continuity of normal business activities and the realisation of assets and the settlement of liabilities in the normal course of business.

The Group incurred a loss from ordinary activities of \$2.4 million during the period ended 31 December 2025 (H1 FY25: a loss of \$19.5 million). Underlying EBITDA (Earnings before interest, tax, depreciation & amortisation), which also excludes non-cash share-based payments, impairments and other gains, for H1 FY26 was (\$55,654) – see note 2(c). Net cash outflows from operating activities for H1 FY26 was \$ 1.0 million. At 31 December 2025, the Group had cash on hand of \$ 2.0 million.

During the half-year ended 31 December 2025, the Group's working capital requirements were primarily funded by improved operating performance and cash flows from trading activities. In addition, a rights issue completed in the prior financial year provided an additional \$2.7 million in equity funding.

NOTES TO FINANCIAL STATEMENTS continued

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

In the prior financial year, 5G Networks Limited (5GN) obtained control of the Group following a successful on-market takeover bid. The Group is a controlled entity of 5GN.

To support the Group's ongoing operations, 5GN has provided a letter of financial support to the Group's main operating entity, AUCyber Limited, confirming that financial support will be made available as and when required to enable the Group to meet its obligations for a period of at least 12 months from the date of signing the financial statements.

Having regard to the factors described above, the directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

(c) New and Revised Standards

The Group has adopted all the new and amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

(d) Comparatives

Where necessary comparative information has been reclassified and repositioned for consistency with current year disclosure and presentation.

NOTES TO FINANCIAL STATEMENTS continued

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

2. Segment Information

(a) Description of Segments and Principal Activities

The Group's Chief Operating Decision Maker (CODM), examines the Group's performance both from a product perspective and has identified two reportable segments of its business:

- **Cloud Services:** Provision of Cloud IaaS, Managed Services, and Professional and Support Services as well as the resale of hardware and software licensing.
- **Cyber Security Services:** Managed Cyber Security and Cyber related consulting services.
- **All other segments:** Provision of Technical Project services and other miscellaneous income (primarily interest income) are not reportable segments, as they are not separately included in reports provided to the CODM. This column also includes support function and group service costs.

The CODM primarily uses a measure of adjusted earnings before interest, tax, depreciation and amortisation (EBITDA, see below) to assess the performance of the operating segments. However, the CODM also receives information about the segments' revenue on a monthly basis. Information about segment revenue is disclosed in Note 3.

(b) Segment Revenues & Earnings

	Note	Cloud \$	Cyber \$	Other \$	Total \$
31 Dec 2025					
Segment Revenue	2	5,841,930	3,403,262	11,522	9,256,714
Segment Underlying EBITDA		(20,533)	797,138	(908,789)	(132,184)
Depreciation and Amortisation		(2,041,044)	(237,667)	-	(2,278,711)
Impairment		-	-	-	-
Gain on reversal of deferred consideration		-	-	-	-
Employee Options		-	-	(11,521)	(11,521)
Profit / (Loss) before Income Tax		(2,061,577)	559,471	(920,310)	(2,422,416)

NOTES TO FINANCIAL STATEMENTS continued

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

	Cloud \$	Cyber \$	Other \$	Total \$
31 Dec 2024				
Segment Revenue	7,038,878	5,110,603	199,027	12,348,508

(c) Underlying EBITDA

Underlying EBITDA excludes the effects of significant items of income and expenditure which may have an impact on the quality of earnings such as impairment losses, other gains from reversal of deferred consideration and one-off equity-settled share-based payments. Interest income and finance cost are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

	Note	31 Dec 2025 \$	31 Dec 2024 \$
Total underlying EBITDA		(55,654)	(1,736,651)
Interest income		8,830	157,061
Finance costs		(85,360)	(115,998)
Depreciation and amortisation		(2,278,711)	(3,650,219)
Impairment loss (see below)		-	(14,746,993)
Gain on reversal of deferred consideration		-	947,886
Employee options		(11,521)	(328,041)
Loss before income tax from continuing operations		(2,422,416)	(19,472,955)

NOTES TO FINANCIAL STATEMENTS continued

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

3. Revenue from contracts with customers

	31 Dec 2025	31 Dec 2024
	\$	\$
Provision of Cloud Services	5,841,930	7,038,878
Provision of Cyber Security Services	3,403,262	5,110,603
	9,245,192	12,149,481

Disaggregation of revenue

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

	Cloud	Cyber	Others	Total
	\$	\$	\$	\$
31 Dec 2025				
Timing of Recognition				
At a point in time	711,179	-	-	711,179
Over time	5,130,751	3,403,262	-	8,534,013
	5,841,930	3,403,262	-	9,245,192
31 Dec 2024				
Timing of Recognition				
At a point in time	786,296	-	-	786,296
Over time	6,252,582	5,110,603	-	11,363,185
	7,038,878	5,110,603	-	12,149,481

NOTES TO FINANCIAL STATEMENTS continued

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

4. Other Revenue and Other Income

	31 Dec 2025	31 Dec 2024
	\$	\$
Interest income	8,830	157,061
Other Income	2,692	41,966
	11,522	199,027

5. Cash and Cash Equivalents

	31 Dec 2025	30 Jun 2025
	\$	\$
Cash and cash equivalents	1,972,790	3,939,943
	1,972,790	3,939,943

6. Receivables

	31 Dec 2025	30 Jun 2025
	\$	\$
CURRENT		
Receivables from contracts with customers	2,689,271	3,271,307
Provision for Doubtful Debts	(28,816)	-
	2,660,455	3,271,307

NOTES TO FINANCIAL STATEMENTS continued

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

7. Other Assets

	31 Dec 2025	30 Jun 2025
	\$	\$
CURRENT		
Prepayments	723,629	179,046
Other assets	141,743	531,265
	865,372	710,311
NON-CURRENT		
Prepayments	3,690	9,226
	3,690	9,226

8. Property, Plant and Equipment

	31 Dec 2025	30 Jun 2025
	\$	\$
Leasehold improvements		
Improvements under lease	533,599	533,599
Accumulated depreciation	(365,337)	(333,743)
	168,262	199,856
Office equipment at cost	458,690	458,690
Accumulated depreciation	(365,696)	(335,367)
	92,994	123,323
Computer equipment at cost	16,206,775	16,206,775
Accumulated depreciation	(13,109,050)	(12,201,989)
	3,097,725	4,004,786
Total property, plant and equipment	3,358,981	4,327,965

NOTES TO FINANCIAL STATEMENTS continued

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

9. Intangible Assets

	31 Dec 2025	30 Jun 2025
	\$	\$
Goodwill	-	23,329,766
Customer Related Intangible assets	1,663,110	5,873,000
Software intangibles at cost	213,476	485,226
Trademarks at cost	9,449	9,449
Accumulated Amortisation and Impairment	(1,689,328)	(29,322,484)
Total intangible assets	196,707	374,957
Reconciliation of the carrying amounts of intangible assets at the beginning and end of the current financial year		
Goodwill		
Opening balance	-	23,209,336
Additions	-	120,430
Impairment loss	-	(23,329,766)
Closing balance	-	-
Customer Related Intangible		
Opening balance	297,082	5,576,056
Amortisation	(178,250)	(1,069,084)
Impairment loss	-	(4,209,890)
Closing balance	118,832	297,082
Trademarks at cost		
Opening balance	9,449	9,449
Closing balance	9,449	9,449
Software and other intangibles at cost		
Opening balance	68,426	485,226
Depreciation and amortisation	-	(416,800)
Closing balance	68,426	68,426

The remaining Software intangible asset and Trademarks have been assessed to have indefinite useful life and is therefore excluded from amortisation.

NOTES TO FINANCIAL STATEMENTS continued

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

10. Right of Use Lease Assets

	31 Dec 2025	30 Jun 2025
	\$	\$
Data centres (rack space) under lease	12,183,702	12,183,702
Accumulated depreciation	(9,159,251)	(8,223,586)
	3,024,451	3,960,116
Computer equipment under lease	3,033,735	3,033,735
Accumulated depreciation	(3,033,735)	(2,837,923)
	-	195,812
Total carrying amount of lease assets	3,024,451	4,155,928

11. Payables

	31 Dec 2025	30 Jun 2025
	\$	\$
CURRENT		
Unsecured liabilities		
Trade creditors	543,301	2,146,785
Sundry creditors and accruals	910,559	1,124,440
Intercompany Payable	1,395,984	-
Deferred consideration	75,000	175,000
	2,924,844	3,446,225

NOTES TO FINANCIAL STATEMENTS continued

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

12. Lease Liabilities

	31 Dec 2025	30 Jun 2025
	\$	\$
CURRENT		
Lease Liability – Data Centres	1,659,096	1,857,669
	1,659,096	1,857,669
NON CURRENT		
Lease Liability – Data Centres	2,034,620	2,866,686
	2,034,620	2,866,686
Total carrying amount of lease liabilities	3,693,716	4,724,355

13. Share Capital

	31 Dec 2025	30 Jun 2025
	\$	\$
Issued and paid-up capital		
Ordinary shares - (December 2025 and June 2025)	135,840,073	135,840,073
	135,840,073	135,840,073

	31 Dec 2025		30 Jun 2025	
	Number	\$	Number	\$
Ordinary shares				
Opening balance	208,747,622	135,840,073	163,563,360	133,153,618
Shares issued:				
April 2025 - Proceeds from rights issue	-	-	45,833,333	2,750,001
June 2025 Share Buy back	-	-	(649,071)	(46,862)
Transaction costs relating to shares issued - 2025	-	-	-	(16,684)
Closing balance	208,747,622	135,840,073	208,747,622	135,840,073

NOTES TO FINANCIAL STATEMENTS continued

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

14. Reserves

	31 Dec 2025	30 Jun 2025
	\$	\$
Share based payments reserve	1,025,812	1,014,291
	1,025,812	1,014,291
Movements in reserve		
Opening balance	1,014,291	1,014,291
Share based payments expensed	11,521	-
Closing balance	1,025,812	1,014,291

(a) Equity-settled share-based payments

Employee Option Plan

The company continued the Employee Share Options Plan ("ESOP") as part of its overall long term employee incentive arrangements.

Details of the options granted are provided below:

Grant date	Expiry date	Exercise price	H1 FY26					Balance at the end of the period	Exercisable at end of the period
			Balance at beginning of the period	Granted during the period	Exercised during the period	Expired during the period			
30/10/2023	1/07/2027	\$ 0.30	25,000	-	-	-	25,000	25,000	
30/10/2023	1/07/2028	\$ 0.30	25,000	-	-	-	25,000	-	
22/12/2025	22/12/2028	\$ 0.09	-	4,500,000	-	-	4,500,000	-	
22/12/2025	22/12/2030	\$ 0.00	-	5,000,000	-	-	5,000,000	-	
			50,000	9,500,000	-	-	9,550,000	25,000	
Weighted average exercise price:			\$ 0.30	\$ 0.04	\$ 0.00	\$ 0.00	\$ 0.04	\$ 0.30	

NOTES TO FINANCIAL STATEMENTS continued

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

15. Related Party Transactions

(a) Parent Entity

5G Networks Ltd is the Parent entity.

(b) Transactions with related parties

The following transactions occurred with related parties:

	31 Dec 2025	30 Jun 2025
	\$	\$
Sale of goods and services		
Sale of services to other related party	-	-
Payment for goods and services		
Payment for services from other related party	77,418	531,110

(c) Receivable from and payable to related parties

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	31 Dec 2025	30 Jun 2025
	\$	\$
Current receivables		
N/A	-	-
Current payables		
Trade payables to 5G Network Operations Pty Ltd	1,395,985	164,149

During the current reporting period, 5G Networks Operations Pty Ltd paid for the below material expenses incurred by the Group, and subsequently sought reimbursement for:

- Employee Related Costs of \$5.6m
- Cisco network infrastructure and associated supporting costs totalling to \$0.4m
- Insurance costs related to HY1 of FY26 for \$0.1m

As at the end of the 31 December 2025 reporting period a balance of \$1.4m remains payable to 5G Networks Operations Pty Ltd.

(d) Loans to/from related parties

There were no loans to or from related parties at the current and previous reporting date.

(e) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

NOTES TO FINANCIAL STATEMENTS continued

FOR THE HALF-YEAR ENDED 31 DECEMBER 2025

16. Contingent Liability

As part of the consideration of the businesses acquired in May 2024, a contractual contingent consideration arrangement formed part of the consideration for one of the businesses. At the date of the acquisition the Group recognised a liability of \$1.1 million as an estimate of the fair value of the deferred consideration. Since acquisition, the performance of this business has been below expectations to the extent that management now believe that it is unlikely that the performance hurdles will be achieved. As such, on 30 June 2025, there was a decrease of \$0.95 million in the contingent consideration which was recognised as a gain on reversal of deferred consideration in profit and loss.

The earn out arrangements cover two financial years, FY25 and FY26, and are based on the business achieving certain net revenue targets. Under the arrangements the vendor is entitled to receive a maximum payment of \$2.0 million. During the earn out period the Group must not cause or permit anything to be done with the purpose of reducing net revenue targets. This requires the Group to ensure that the acquired business carries on in the normal course and does not change the nature of the acquired business, except where changes are required to comply with any applicable law. Given the poor performance of this business since acquisition, management has made certain changes, both by reasons of events, such as employee resignations, and in an effort to turn around the decline in revenue. Management believes that even with those turnaround efforts, it is considered very unlikely the net revenue targets will be achieved.

17. Events Subsequent to Reporting Data

There have been no material matters or circumstances which have arisen between 31 December 2025 and the date of this report that have significantly affected or may affect the operations of the Group, the results of those operations and the state of affairs of the Group in subsequent financial period.

DIRECTORS DECLARATION

The Directors of the Company declare that:

1. The consolidated financial statements and notes, as set out on pages 8 to 24, are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with the Corporations Regulations 2001, and Australian Accounting Standard AASB 134, International Financial Reporting Standard IAS134 'Interim Financial Reporting', and other mandatory professional reporting requirements.
 - (ii) giving a true and fair view of the consolidated Group's financial position as at 31 December 2025 and of its performance for the half year ended on that date.

2. In the Directors' opinion based on the information set out in Note 1b Going concern, there are reasonable grounds to believe the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to section 303(5)(a) of the *Corporation Act 2001*.



On behalf of the directors

Joe Demase

Executive Chair

Dated: 27 February 2026

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF AUCYBER LIMITED**

Report on the Half-Year Financial Report

Conclusion

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

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group 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 Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Group, would be in the same terms if given to the directors as at the time of this auditor's report.

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 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.

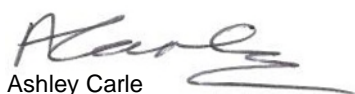
Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether 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.



Bentleys Brisbane (Audit) Pty Ltd
Chartered Accountants



Ashley Carle
Director
Brisbane

27 February 2026

CORPORATE DIRECTORY

Directors

Mr Joseph Demase
Executive Chair

Mr Hugh Robertson
Non-Executive Director

Mr Conrad Morgan
Non-Executive Director

Chief Financial Officer & Company Secretary

Mr Kieran Donovan
Chief Financial Officer

Mr Adam Gallagher
Company Secretary

Auditor

Bentleys Brisbane (Audit) Pty Ltd
Level 23, 71 Eagle Street,
Brisbane City QLD 4000

Share Registry

MUFG Corporate Markets (AU) Limited
Liberty Place
Level 41, 161 Castlereagh Street
Sydney NSW 2000

Company

The Company is listed on the Australian Securities
Exchange Limited (ASX: CYB)

ABN: 80 622 728 189

Head Office

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Level 3, 120 Wickham Street
Fortitude Valley QLD 4006

Registered Office

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Fortitude Valley QLD 4006

