FirstWave

FirstWave Cloud Technology Limited

ABN 35 144 733 595

Appendix 4E Preliminary Final Report - 30 June 2026

1. Company details

Name of entity:	FirstWave Cloud Technology Limited
ABN:	35 144 733 595
Reporting period:	For the year ended 30 June 2026
Previous period:	For the year ended 30 June 2025

2. Results for announcement to the market

			2026 $
Revenues from ordinary activities	down	3.0% to	8,481,126
Gross profit	up	5.1% to	8,087,199
Loss from ordinary activities after tax attributable to the owners of FirstWave Cloud Technology Limited	improved	70.6%	(4,103,920)
Loss for the year attributable to the owners of FirstWave Cloud Technology Limited	improved	70.6%	(4,103,920)

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

Comments

The business continued its financial turn-around, clearing loss making revenues, reducing costs, and focusing on cash generating revenues. The cash requirements of the restructuring had a significant financial impact in FY26 and it is worth noting the material advancements in the business.

Network monitoring revenue grew 34.4% to $6,932,196 and revenue from Latin America grew 73.8% to $2,251,798, reflecting the positive impact of the Company's strategy which continues.

Gross profit grew 5.1% to $8,087,199 and gross margin improved to 95.4% from 88.0%, as cost of sales fell 62.4% to $393,927 with the Company's shift away from lower-margin revenue. Revenue from ordinary activities was $8,481,126, down 3.0% (30 June 2025: $8,743,622), reflecting the final stage of Telstra discontinuing its GPA firewall product and the closure of its CSX2 platform. That transition has now completed in full.

The Company's cash position strengthened. Cash and cash equivalents increased to $1,331,040 (30 June 2025: $263,946), and net cash from operating activities was positive for a second consecutive year at $297,243 (30 June 2025: $170,563).

During the year the Company completed a $2,850,000 capital raise and closed a $2,500,000 three-year debt facility with Partners for Growth - fully restructuring the Company's debt.

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	(0.36)	(0.46)

Net tangible assets calculations excludes right-of-use assets and lease liabilities.

4. Control gained over entities

Not applicable.

5. Foreign entities

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

All group entities comply with International Financial Reporting Standards ('IFRS').

6. Audit qualification or review

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

The financial statements are in the process of being audited.

7. Attachments

Details of attachments (if any):

The financial statements of FirstWave Cloud Technology Limited for the year ended 30 June 2026 is attached.

8. Signed

As authorised by the Board of Directors

Signed Roger Buckeridge ____________________________ Date: 31 August 2026

Roger Buckeridge
Chair

FirstWave Cloud Technology Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 30 June 2026

FirstWave

	Note	Consolidated 2026 $	Consolidated 2025 $
Revenue			
Revenue from contracts with customers	1	8,481,126	8,743,622
Cost of sales	3	(393,927)	(1,048,448)
Gross profit		8,087,199	7,695,174
Other income	2	987,809	1,136,781
Interest income calculated using the effective interest method		7,456	21,407
Expenses			
Sales and marketing		(2,763,541)	(2,991,317)
Product and development		(3,116,344)	(2,963,679)
Operations and support		(767,056)	(804,340)
Corporate and administration		(4,959,846)	(5,125,076)
Transaction costs		(333,574)	(27,461)
Impairment of assets	5	-	(10,394,976)
Finance costs	3	(1,172,891)	(489,439)
Total expenses		(13,113,252)	(22,796,288)
Loss before income tax expense		(4,030,788)	(13,942,926)
Income tax expense		(73,132)	(34,235)
Loss after income tax expense for the year attributable to the owners of FirstWave Cloud Technology Limited		(4,103,920)	(13,977,161)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Foreign currency translation		(323,919)	164,049
Other comprehensive income for the year, net of tax		(323,919)	164,049
Total comprehensive income for the year attributable to the owners of FirstWave Cloud Technology Limited		(4,427,839)	(13,813,112)
		Cents	**Cents**
Basic loss per share	12	(0.21)	(0.82)
Diluted loss per share	12	(0.21)	(0.82)

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

	Note	Consolidated 2026 $	Consolidated 2025 $
Assets			
Current assets			
Cash and cash equivalents		1,331,040	263,946
Term deposits		-	99,369
Trade and other receivables	4	778,561	865,285
Contract assets		141,643	29,608
Other assets		162,077	176,687
Total current assets		2,413,321	1,434,895
Non-current assets			
Property, plant and equipment		26,313	69,749
Right-of-use assets		-	8,349
Intangibles	5	26,350,687	26,804,177
Other assets		6,764	28,787
Total non-current assets		26,383,764	26,911,062
Total assets		28,797,085	28,345,957
Liabilities			
Current liabilities			
Trade and other payables	6	1,104,089	1,175,521
Contract liabilities	7	2,833,579	2,258,971
Employee benefits		723,653	949,674
Borrowings	8	2,105,097	2,411,905
Derivative financial instruments		394,903	-
Lease liabilities		-	11,155
Deferred research and development income		789,589	689,526
Total current liabilities		7,950,910	7,496,752
Non-current liabilities			
Contract liabilities	7	428,186	532,615
Employee benefits		126,427	155,863
Provisions		26,406	26,406
Deferred research and development income		1,559,993	1,121,623
Deferred tax		44,000	44,000
Total non-current liabilities		2,185,012	1,880,507
Total liabilities		10,135,922	9,377,259
Net assets		18,661,163	18,968,698
Equity			
Issued capital	9	134,581,896	131,085,596
Reserves		5,403,770	5,103,685
Accumulated losses		(121,324,503)	(117,220,583)
Total equity		18,661,163	18,968,698

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

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2024	131,001,770	5,783,562	(104,572,706)	32,212,626
Loss after income tax expense for the year	-	-	(13,977,161)	(13,977,161)
Other comprehensive income for the year, net of tax	-	164,049	-	164,049
Total comprehensive income for the year	-	164,049	(13,977,161)	(13,813,112)
Transactions with owners in their capacity as owners:				
Contributions of equity, net of transaction costs (note 9)	72,000	-	-	72,000
Share-based payments	-	498,620	-	498,620
Share issue on exercise of share rights, net of transaction costs (note 9)	11,826	-	-	11,826
Share issue on exercise of share rights (note 9)	-	(13,262)	-	(13,262)
Transfer to retained earnings	-	(1,329,284)	1,329,284	-
Balance at 30 June 2025	131,085,596	5,103,685	(117,220,583)	18,968,698

Consolidated	Issued capital $	Reserves $	Accumulated losses $	Total equity $
Balance at 1 July 2025	131,085,596	5,103,685	(117,220,583)	18,968,698
Loss after income tax expense for the year	-	-	(4,103,920)	(4,103,920)
Other comprehensive income for the year, net of tax	-	(323,919)	-	(323,919)
Total comprehensive income for the year	-	(323,919)	(4,103,920)	(4,427,839)
Transactions with owners in their capacity as owners:				
Contributions of equity (note 9)	3,496,300	-	-	3,496,300
Share-based payments	-	816,775	-	816,775
Share issue on exercise of share rights, net of transaction costs (note 9)	-	(192,771)	-	(192,771)
Balance at 30 June 2026	134,581,896	5,403,770	(121,324,503)	18,661,163

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

FirstWave

	Note	Consolidated 2026 $	2025 $
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		9,407,013	10,258,018
Payments to suppliers and employees (inclusive of GST)		(10,147,700)	(11,301,914)
Interest received		3,172	48,020
Other income		1,110,788	1,476,697
Interest and other finance costs paid		(76,030)	(310,258)
Net cash from operating activities	11	297,243	170,563
Cash flows from investing activities			
Payments for property, plant and equipment		(5,312)	(5,543)
Payments for intangibles		(1,670,199)	(2,091,718)
Net cash used in investing activities		(1,675,511)	(2,097,261)
Cash flows from financing activities			
Proceeds from issue of shares		2,676,692	-
Share issue transaction costs		(19,938)	-
Proceeds from borrowings		2,348,155	-
Repayment of borrowings		(2,400,000)	-
Repayment of lease liabilities	11	(130,805)	(130,702)
Other receipts - research and development ('R&D') advance		21,280	643,329
Net cash from financing activities		2,495,384	512,627
Net increase/(decrease) in cash and cash equivalents		1,117,116	(1,414,071)
Cash and cash equivalents at the beginning of the financial year		263,946	1,678,017
Effects of exchange rate changes on cash and cash equivalents		(50,022)	-
Cash and cash equivalents at the end of the financial year		1,331,040	263,946
Net cash used in operating activities		297,243	170,563
Transaction cost payments (inclusive of GST)		-	-
Net cash used in operating activities before transaction costs (inclusive of GST)		297,243	170,563

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

Note 1. Revenue from contracts with customers

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

	Consolidated	
	2026	**2025**
	$	**$**
Major service lines		
CyberCision	1,548,930	3,586,079
Network monitoring	6,932,196	5,157,543
	8,481,126	8,743,622
Geographical regions		
Australia	3,358,254	4,155,433
USA and Canada	2,317,120	2,662,921
LATAM*	2,251,798	1,295,562
ROW**	553,954	629,706
	8,481,126	8,743,622
Timing of revenue recognition		
Recurring revenue (over a period of time)	6,411,343	8,376,255
Non-recurring revenue (at a point in time)	2,069,783	367,367
	8,481,126	8,743,622

* Latin America ('LATAM') represents revenue from customers in Mexico, Central America and South America.
** Rest of the world ('ROW') represents the revenue from customers in the rest of the world.

Note 2. Other income

	Consolidated	
	2026	**2025**
	$	**$**
Research and development ('R&D') grant income*	958,376	1,120,197
Other income	29,433	16,584
Other income	987,809	1,136,781

* There are no unfulfilled conditions or other contingencies attached to receipt of R&D grant income.

FirstWave

Note 1. Revenue from contracts with customers (continued)

Note 3. Expenses

	Consolidated	
	2026	2025
	$	$
Loss before income tax includes the following specific expenses:		
Cost of sales		
Cost of licenses	393,927	1,048,448
Depreciation		
Total depreciation	45,455	160,915
Amortisation		
Capitalised development costs	2,416,496	1,666,862
Customer list	68,197	68,196
Patents	18,465	20,820
Total amortisation	2,503,158	1,755,878
Total depreciation and amortisation	2,548,613	1,916,793
Impairment		
Goodwill	-	10,394,976
Finance costs		
Interest and finance charges paid/payable on lease liabilities	33	2,892
Interest and finance charge on convertible note	1,172,858	486,547
Finance costs expensed	1,172,891	489,439
Net foreign exchange variance		
Net foreign exchange variance	104,971	9,964
Employee benefit expenses		
Employee salaries and other benefits	6,963,657	7,539,867
Defined contribution superannuation expense	556,792	597,545
Share-based payments expenses	840,775	546,309
Total employee benefit expenses	8,361,224	8,683,721

Note 4. Trade and other receivables

	Consolidated	
	2026	2025
	$	$
Trade receivables	463,942	642,965
Less: Allowance for expected credit losses	(97,370)	(97,370)
	366,572	545,595
Research and development tax incentive receivable	411,989	319,690
	778,561	865,285

Note 1. Revenue from contracts with customers (continued)

Note 5. Intangibles

	Consolidated 2026 $	Consolidated 2025 $
Goodwill - at cost	50,495,774	50,495,774
Less: Impairment	(30,350,039)	(30,350,039)
	20,145,735	20,145,735
Capitalised development costs - at cost	36,896,789	34,853,239
Less: Accumulated amortisation	(24,202,238)	(21,785,743)
Less: Impairment	(7,591,178)	(7,591,178)
	5,103,373	5,476,318
Brand name - at cost	971,000	971,000
Customer list - at cost	341,000	341,000
Less: Accumulated amortisation	(246,848)	(178,651)
	94,152	162,349
Patents - at cost	287,494	281,376
Less: Accumulated amortisation	(251,067)	(232,601)
	36,427	48,775
	26,350,687	26,804,177

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

Consolidated	Goodwill $	Capitalised development $	Brand name $	Customer list $	Patents $	Total $
Balance at 1 July 2024	30,540,711	5,039,955	971,000	230,545	51,631	36,833,842
Additions	-	2,103,225	-	-	17,964	2,121,189
Impairment expense	(10,394,976)	-	-	-	-	(10,394,976)
Amortisation expense	-	(1,666,862)	-	(68,196)	(20,820)	(1,755,878)
Balance at 30 June 2025	20,145,735	5,476,318	971,000	162,349	48,775	26,804,177
Additions	-	2,043,551	-	-	6,117	2,049,668
Amortisation expense	-	(2,416,496)	-	(68,197)	(18,465)	(2,503,158)
Balance at 30 June 2026	20,145,735	5,103,373	971,000	94,152	36,427	26,350,687

Note 6. Trade and other payables

	Consolidated 2026 $	Consolidated 2025 $
Current liabilities		
Trade payables	508,109	508,448
Accrued expenses	595,980	667,073
	1,104,089	1,175,521

Note 1. Revenue from contracts with customers (continued)

Note 7. Contract liabilities

	Consolidated 2026 $	Consolidated 2025 $
Current liabilities		
Contract liabilities	2,833,579	2,258,971
Non-current liabilities		
Contract liabilities	428,186	532,615
	3,261,765	2,791,586

Reconciliation
The contract liabilities relate to sales of term-based contracts that have been prepaid and hence the entity is obligated to provide the services agreed under the contract. Reconciliation of the contract liabilities (current and non-current) during the current financial year are set out below:

	Consolidated 2026	Consolidated 2025
Opening balance	2,791,586	2,349,777
Payments received in advance	5,957,623	5,516,625
Transfer to revenue - included in the opening balance	(2,211,688)	(1,723,153)
Transfer to revenue - other balances	(3,275,756)	(3,351,663)
Closing balance	3,261,765	2,791,586

Note 8. Borrowings

	Consolidated 2026 $	Consolidated 2025 $
Current liabilities		
Loan payable	2,105,097	-
Convertible notes payable	-	2,411,905
	2,105,097	2,411,905

Convertible notes payable
During 30 June 2026 financial year, the convertible note principal and interest has been settled by $2,400,000 cash payment and 120,000,000 issuance of the Company's ordinary shares (note 9).

Loan payable
On 31 December 2025, the Company announced the completion of the loan facility agreement with Partners for Growth VII, L.P. ('PFG'). The total facility is a $2,500,000 loan facility with a three-year term at a 12.5% fixed interest rate, with six months interest-only followed by principal and interest repayments over the remaining term. The loan is secured over all assets of the Company and its subsidiaries. A 5-year call option is to be granted to PFG to subscribe for ordinary shares with an aggregate subscription amount of $750,000, calculated by reference to the 5-day VWAP prior to closing, subject to exchange price of $0.018 per share. The loan is subject to certain financial covenants and these are assessed at the end of each quarter. The loan will be repayable immediately if the covenants are breached. The consolidated entity is not aware of any facts or circumstances that indicate that it may have difficulty complying with the covenants within 12 months after the reporting period.

The debt host contract (loan payable) has been measured at amortised cost and the derivative component as of 30 June 2026 of $394,903 has been measured at fair value through the profit and loss. Subsequent changes in fair value of the derivative liability component will be presented in profit or loss as gain or loss on fair value movements on embedded derivatives. As the conversion price is variable, the derivative component has been classified as a financial liability.

Note 9. Issued capital

	Consolidated 2026 Shares	Consolidated 2025 Shares	Consolidated 2026 $	Consolidated 2025 $
Ordinary shares - fully paid	2,126,880,844	1,713,518,682	134,581,896	131,085,596

Note 1. Revenue from contracts with customers (continued)

Movements in ordinary share capital

Details	Date	Shares	Share price	$
Balance	1 July 2024	1,710,019,362		131,001,770
Issue of shares to suppliers in lieu of cash	31 October 2024	3,000,000	$0.030	72,000
Issue of shares on conversion of rights	06 December 2024	499,320	$0.020	13,262
Share issue transaction costs, net of tax				(1,436)
Balance	30 June 2025	1,713,518,682		131,085,596
Issue of Tranche 1 shares (i)	2 October 2025	185,683,352	$0.010	1,856,834
Issue of shares on exercise of rights	14 October 2025	3,362,162	$0.010	33,621
Issue of Tranche 2 shares (ii)	5 December 2025	99,316,648	$0.010	993,166
Issue of shares on settlement of convertible notes (note 8)	31 December 2025	120,000,000	$0.007	840,000
Issue of shares on settlement of convertible notes (note 8)	16 February 2026	5,000,000	$0.007	-
Share issue transaction costs, net of tax				(227,321)
Balance	30 June 2026	2,126,880,844		134,581,896

(i) The Tranche 1 placement has 61,894,451 free attaching options at an exercise price of $0.018 per share.
(ii) The Tranche 2 placement has 33,105,549 free attaching options at an exercise price of $0.018 per share.

Note 10. Dividends

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

Note 11. Cash flow information

Reconciliation of loss after income tax to net cash from operating activities

	Consolidated	
	2026	2025
	$	$
Loss after income tax expense for the year	(4,103,920)	(13,977,161)
Adjustments for:		
Depreciation and amortisation	2,548,613	1,916,793
Impairment expense	-	10,394,976
Share-based payments - employees	840,775	546,309
Other non-cash adjustments	108,816	339,114
Change in operating assets and liabilities:		
Decrease in trade and other receivables	86,724	691,441
(Increase)/decrease in contract assets	(112,035)	225,622
Decrease in prepayments	66,633	324,197
Decrease in other operating assets	179,914	34,407
Decrease in trade and other payables	(71,432)	(562,568)
Increase in contract liabilities	470,179	441,809
Decrease in employee benefits	(255,457)	(10,272)
Increase/(decrease) in other operating liabilities	538,433	(194,104)
Net cash from operating activities	297,243	170,563

Non-cash investing and financing activities

	Consolidated	
	2026	2025
	$	$
Shares issued to suppliers in lieu of cash	-	72,000
Shares issued on conversion of rights	33,621	13,262
	33,621	85,262

Note 1. Revenue from contracts with customers (continued)

Changes in liabilities arising from financing activities

Consolidated	Lease liability $
Balance at 1 July 2024	141,857
Net cash used in financing activities	(130,702)
Balance at 30 June 2025	11,155
Net cash used in financing activities	(130,805)
Other changes	119,650
Balance at 30 June 2026	-

Note 12. Earnings per share

	Consolidated	
	2026 $	2025 $
Loss after income tax attributable to the owners of FirstWave Cloud Technology Limited	(4,103,920)	(13,977,161)
	Number	Number
Weighted average number of ordinary shares used in calculating basic loss per share	1,972,567,714	1,712,299,798
Weighted average number of ordinary shares used in calculating diluted loss per share	1,972,567,714	1,712,299,798
	Cents	Cents
Basic loss per share	(0.21)	(0.82)
Diluted loss per share	(0.21)	(0.82)

Options and rights have been excluded in the weighted average number of shares used to calculate diluted earnings per share as they were anti- dilutive.